

# Home Guard revived with 4,500 volunteers

By Henry Stanhope, Defence Correspondent

The Government is to create a new Home Guard to protect some of Britain's more vital parts from crack Russian troops in wartime. A pilot scheme will start in four areas of the country next September. Details were disclosed yesterday by Mr John Nott, Secretary of State for Defence, who also announced expansion plans for the Territorial Army, including 12 new TA centres, and an adventure training scheme that will be run for young people by the Ministry of Defence.

The new reserve, fore-shadowed last year in *The Times*, will be called the Home Service Force (HSF) and, if the pilot scheme is successful, will include about 4,500 volunteers.

The Army is looking for people aged between 18 and 59 who will probably have to assemble for four or five week-long periods. Because the training periods will be few it is hoped to attract former Servicemen, reservists or reserves, or policemen, who would already know something about "drill and teamwork".

Ideally the Army would like young men in their twenties who might not be able to spare the time for the

## A cry in the wilderness



A vociferous young squatter is carried off from Hatzar Adar by an Israeli woman soldier. The pall of smoke in the background comes from a pile of tyres, set on fire by opponents of the Sinai withdrawal.

## Israel drives out Sinai squatters

From Christopher Walker, Yamit, Sinai, March 3

The most testing stage of Israel's withdrawal from Sinai began at dawn today when several hundred troops moved into the Hatzar Adar to begin the forced evacuation of Jewish militants who have moved in to the region to try to prevent its return to Egypt next month.

Using axes and crowbars, troops broke into the shacks and prefabs after the militants refused to leave. Overnight the settlers had frantically begun erecting makeshift fortifications but most of the resistance was symbolic, with no reports of casualties.

As the clearing operation took place, barricades of blazing tyres sent palls of black smoke high into the desert sky. A number of women soldiers were in tears as they joined the forcible removal of the 60 militants in the settlement, many of them followers of the extremist leader Rabbi Meir Kahane.

Despite the struggles, the emotional slogans and the frightened children, the Army succeeded in emptying the settlement within a few hours and began to dismantle it. The anti-withdrawal activists were hastily shipped back to Israel proper, while three of their number remained sadly behind by agreement to collect personal effects.

The order to begin the evacuation was given directly by Mr Ariel Sharon, the Defence Minister, who has earned the

## Exports lead to 150,000 jobs

By Derek Harris, Commercial Editor

British companies have secured £5,000m of trade in the last 18 months in large contracts alone, creating at least 150,000 jobs.

This emerged yesterday from a largely optimistic report on Britain's export performance from Lord Limerick, chairman of the British Overseas Trade Board. More than half the value of the contracts won round the world meant work within the United Kingdom.

Mr Peter Rees, Minister for Trade, speaking at a conference in Hamilton, Lanarkshire on the impact of overseas aid programmes, said that every £17,000 of investment saved or created a job.

Lord Limerick treated with a touch of caution suggestions that Britain's trade surplus would go to a record £6,000m on current account for 1981. It would certainly exceed the 1980 level of £3,200m and there were signs it might be of the order of £5,000m, he said.

He was cheered by buoyant exports by manufacturers, particularly in the capital goods sector. "It looks as if we have re-established ourselves in the forefront of such international competition and this will undoubtedly have an effect in related areas," he said.

During the recession last year it looked as if the advantages had been reaped from a widespread drive to cut waste, improve efficiency and establish more competitive manning levels. The improvement in productivity was the vital factor even though there was the negative side of an unemployment level of 10 per cent, Lord Limerick said.

Western Europe now bought almost 60 per cent of Britain's total visible exports, with the United Kingdom share of European Community trade growing faster than any other member country. There was a small 1980 surplus in Britain's trade with EEC countries, although he gave a warning that the United Kingdom still had a long way to go to match the performance of the French and Germans.

Sterling exchange rates, particularly where the United States dollar was not involved, were not a big obstacle to exporters any longer, Lord Limerick said. With British factories hungry for work it was possible to give, and keep, good delivery dates.

But the coming year was not going to be an easy one. "It seems unlikely that this last year's exceptional trade figures can be repeated," he said.

There was already a surge in imports although that was a healthy sign in that Britain could afford to do this, Lord Limerick said. "We need to import more if we are to build up to economic prosperity," he added.

Spending on export promotion through the BOTB in the present year will be less in real terms, the BOTB annual report, published yesterday, 1981-82 is expected to have been £87m compared with £82.2m the previous year, an increase of 5.8 per cent, well below the level of inflation.

The biggest single decline in spending is on help to individual exporters where aid has been given more selectively.

## 'We are only here for the cricket'

From Eric Marsden, Pretoria, March 3

On the dot of eleven at the Northern Transvaal Ground in Berea Park two familiar figures, bats swinging jauntily, crossed the pavilion boundary, and perhaps the rubicon of their cricketering lives.

As Graham Gooch of Essex and Geoffrey Boycott of Yorkshire strode to the wicket to open the innings for the South African Breweries English XI against the national under 25 team, the great rebellion was on. Last-minute telephone appeals from London had been of no avail. Telegrams to individual players were on their way - not, presumably, via the British Embassy, although it is only a brisk walk away from here. So is Union Buildings, seat of the Pretoria Government, where the policies were laid down which have kept South Africa out of international cricket since 1970.

Now, South Africans believe, the era of isolation is over. Today's match is the curtain-raiser for a tour which is to include three four-day Tests, the first the Wanderers in Johannesburg next week.

What happened on the field was of secondary interest to the emotional fervour of the occasion. This was lucky for the South African Breweries English, who did not perform with great distinction.

Gooch, their captain, had a few lucky hits in his top scoring 33, but Boycott, perhaps still suffering from his Indian trauma, made 1 in half an hour, 3 in an hour and boiled out for 13 after 95 minutes.

Modern contraptions from Amis (31), Willey (23) and Knott (27) took the score to 152 for 7 in four and a half hours when Gooch declared, somewhat optimistically.

The South African Colts' openers then began to score at double the visitors' rate. They were slowed by Underwood's accuracy but finished the day on a comfortable 50 for 1 wicket. The outstanding player of the day was Adrian Kuiper, the Colts' captain, who destroyed the English innings with 5 for 22 in eight overs.

There were no regrets on either side over the international hullabaloo caused by the tour. Before play started Gooch said in a radio interview that he and his team mates were "only here to play cricket and follow our profession".

London: Mrs Margaret Thatcher made a tougher statement against the tour yesterday as the players appeared to ignore a strong appeal from cricket authorities in London to return home and not jeopardise international cricket and the livelihoods of their county colleagues (a Staff Reporter writes).

Thatcher warning, page 21

Foot reselected

Mr Foot, Leader of the Opposition, has been reselected as Labour's candidate for Ebbw Vale at the next general election.

## Kissinger's wife accused of assault

Mrs Nancy Kissinger, the wife of Dr Henry Kissinger, faces a charge of physically attacking a woman who allegedly insulted the former United States Secretary of State (Christopher Thomas writes from New York).

A warrant for Mrs Kissinger's arrest was issued on Tuesday when she failed to appear in court at Newark, New Jersey to answer charges filed by Mrs Ellen Kaplan, of New York.

Court authorities said the incident happened last month when the couple were waiting at Newark for a flight to Boston, where Dr Kissinger had heart surgery.

"Apparently some remarks were directed at the Kissingers - or, rather, there was a personal slur at Dr Kissinger - by a demonstrator in a vulgar group," Mrs Kissinger told the office and grabbed at the throat of the woman in the heat of the moment, an airport spokesman said.

## Royal pictures condemned

The Press Council has condemned *The Sun* and the *Daily Star* for publishing photographs of the Princess of Wales sunbathing on a beach in the Bahamas. The council said the pictures were "gross intrusions" into the personal privacy of the Princess.

## Oil price rise accord urged

Professor Sir Douglas Hague, a senior economics adviser to the Prime Minister, said that the West should try to reach some understanding with OPEC to allow a steady annual increase in the real price of oil. Page 15

## Betting levy ruling today

The Home Secretary is expected to rule today on how much bookmakers must pay to the Inland Revenue Betting Levy Board from April. He is likely to settle on a figure well below the £24.4m sought by the West, which is increasing this year's £12.6m levy. Page 2

## Postal profits

Postal profits could show a 10 per cent rise but Government cash cuts were threatening investment, Mr Ron Dearing, the Post Office chairman, told a Parliamentary Select Committee. Page 15

## Villa optimistic

Aston Villa have an excellent chance of reaching the semi-finals of the European Cup after holding Dynamo Kiev to a goalless draw at Stimpertopol in the quarter-final first leg. Page 20

## Bonn scandal

West Germany is facing its third public scandal in a month with the revelations of Bonn's former spy-master about the activities of BND, the intelligence service. Mr Richard Nixon is alleged to have been one of its targets. Page 8

## Kissinger and the oil crisis

The oil price rises in 1973 contributed directly to the energy crisis and caused irrevocable changes throughout the world. The postwar rise in prosperity was brought to a halt, virtually overnight, Henry Kissinger, former American Secretary of State, recalls in detail what he calls "one of the most pivotal events of the century". Page 12

## 'Preview' goes to the fair

The Burlington House and Chelsea antiques fairs, which make next week an important one for collectors, are featured in tomorrow's *Preview*, the 16-page weekly guide to entertainment and the arts.

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## Queen opens a show that hopes to run and run

By Christopher Warman, Arts Correspondent

The Queen last night opened the £155m Barbican centre for arts and conferences, the largest of its kind in western Europe, amid splendid ceremony and entertainment appropriate to the occasion, mixed with relief that the project, begun in 1971 after 15 years of planning, had finally been completed.

Despite fears that no one would be able to find the centre, tucked away in five and a half acres of Cripplegate, in the centre of the City of London, 3,500 guests arrived to help launch its activities which are intended to fill 18 hours of every day, seven days a week.

The Queen said: "What has been created here must have some claim as one of the wonders of the modern world." She emphasized, however, that it was the use to which the complex would be put that would "justify the faith of those who conceived it, and the craft and skill of those who have designed and built it".

The Queen, flanked by the Corporation of the City of London, will cost an estimated £6m a year to run, but its administrators hope that by the sixth year it will cease to be a burden on the taxpayer with 95 per cent of its costs covered by income.

Arts, page 11

## Corruption rumours linked with Kremlin power struggle

From Michael Binyon, Moscow, March 3

There is an extraordinary atmosphere of Byzantine intrigue and scandal in Moscow at the moment. As rumours of corruption at the highest level spread throughout the city, it seems evident that a Kremlin power struggle is going on behind the scenes which could touch the position of President Brezhnev himself.

The various elements in the murky imbroglio circumstances surrounding the death in December of the deputy head of the KGB security police, the jockeying for position that has followed the death of Mr Mikhail Suslov and the sudden rise of Mr Konstantin Chernenko, a close Brezhnev protégé.

The affair began two weeks ago with the arrest of a senior official in charge of the Soviet

Union's many circuses. Police raided the flat of Mr Anatoly Kolevatov and found a cache of diamonds worth more than 1m roubles which he is said to have extorted from circus performers in return for permission to travel on overseas tours.

His arrest has been linked to a friend known as Boris Tsigan, or Boris the Gypsy, who has performed at the Bolshoi theatre and is a close friend of President Brezhnev's daughter Galina, aged 53.

A flamboyant character well known in artistic circles, Mr Tsigan's friendship with the President's daughter has long been a source of gossip. He was picked up by police on the day of Mr Suslov's funeral and found of also to have had large amounts of foreign currency, antiques and diamonds in his home.

Ironically, the case is now being investigated by the Ministry of Home Affairs, whose deputy head is Miss Brezhnev's present husband, Lieutenant-General Yuri Churbanov.

The charges against Mr Kolevatov and Mr Tsigan are serious. Soviet citizens are strictly forbidden to deal in precious stones or to hold foreign currency. The Soviet press has recently revealed a scandal at one of Moscow's principal jewelry stores, and asked pointedly how Russians earning an average wage of 175 roubles a month could afford to buy diamonds costing 20,000 roubles.

## Teenagers die as gales sweep Britain

Gales of up to 80 mph which swept Britain yesterday could have caused the deaths of three teenagers.

Ellen Devenney, aged 16, of Bonhill Avenue, Dumbarton, was killed when the car in which she was a passenger struck a tree brought down by the wind at Port Glasgow, Strathclyde.

A couple in their late teens also died when their car plunged into the Newry ship canal. Northern Ireland, in strong winds. They have not been named.

Ferry services from Northern Ireland and Scotland were disrupted and road and rail travellers faced delays around Glasgow and Edinburgh.

Thousands of homes in Scotland and the north of England were left without power.

Police sealed off part of the Galway coast as heavy seas swept containers off the stricken ship *Craigantlet*.

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## The panoramic view of London denied to its people for more than 70 years



The bastions of the City are falling. Last night the Queen opened the Barbican Arts Centre, introducing the public to new and splendid views of the Square Mile, which *The Times* featured earlier this week. (David Hewson writes). Today M Jacques Chirac, the French opposition leader, will stand 140ft above the dark and churning waters of the Thames and see this panorama. It is a sight which has been barred to the public for 71 years, but the privacy of the city, from which Bill Warhurst took this photograph will soon be a thing of the past.

HMS Belfast, on the left, points a battery at the Isle of Dogs. A little farther along, the Post Office Tower peers above its lesser neighbours and across to St Paul's Cathedral. On the right, the NatWest tower dwarfs all. A gathering of tourists contemplates Traitors Gate, with the Tower itself beyond. The vantage point is one of the two iron walkways of Tower Bridge, built on the orders of a Parliament which demanded that the busy Victorian should be able to proceed across the river unimpeded when the bridge is raised for shipping.

But the bridge mechanism worked so quickly and efficiently that as soon as the 1,000-ton bascule leaves started to rise, crowds preferred to watch the spectacle, and shunned the quicker route. In 1911 an ungrateful public was relegated to the footpaths across the bridge and entry to the structure's vast inner workings has been restricted to its employees ever since.

On June 30 all that will change. The bridge has been renovated for £5m, five times its original cost, and the masses will be welcomed back with open

arms (£1.60 at the door please, half price for children and pensioners). The City Corporation expects between 500,000 and 750,000 visitors a year, which would put the bridge behind the Tower itself and Westminster Abbey in the league table of the capital's most popular attractions open to tourists.

A few creature comforts have been installed for the visitor of the 1980s. The walkways have been enclosed in glass, with portals for photographers, and centrally heated. Modern lifts have been installed. After taking in the views and accompanying

exhibitions, the public will be led to a museum which houses the great steam engines and accumulators which once powered the bridge.

Today the bridge rises and falls by courtesy of the London Electricity Board, its staff has fallen to 15, and dull blue electrical apparatus sits in its belly. Unlike its predecessor, the machinery has been known to break down.

When the public returns to the bridge on June 30, it will be greeted by two China clippers, a Royal Navy minesweeper, a band and other motley festivities.

## Crash driver 'sent home mate and ignored signal'

By Nicholas Timmins

The driver of a maintenance train who sent home his assistant driver had exceeded the speed limit and gone through a red light before crashing into the back of a mail train at East Croydon in January, a Department of Transport inquiry into the crash was told yesterday.

Mr Stephen Walton, aged 28, the driver, whose lower left leg had to be amputated seven hours after the crash, is still intensive care six weeks later. His condition is improving and he is expected to give evidence to the inquiry later.

Mr Nicholas Rowles, aged 23, his assistant driver, has been disciplined by British Rail for not being on the train. He was suspended for five days with loss of pay.

He told the inquiry at Fairfield Halls, Croydon, that after they had clocked on Mr Walton told him to go home. "I remember saying something about what happens if the train is cancelled," Mr Rowles said, but the driver had told him that it would be all right. "I think he was just trying to be friendly."

Mr Rowles, who said he had never before simply clocked on and gone home, said he had sat in his car for 10 minutes wondering what

to do then driven home. He was woken at 5am and told about the crash.

Other witnesses said that the maintenance train, the 00.22 from Three Bridges to New Cross Gate, had been travelling fast.

Mr Michael Wenham, aged 60, the guard, who was briefly trapped in his cab at the back of the locomotive when rails and the wagon behind it came through the wall as the train crashed, said the train "while keeping within its 45 mph speed limit, had been travelling 'pretty steady'. It had left Three Bridges late. I thought we were trying to make up some time."

As it approached East Croydon station, he said, he estimated the speed at about 35mph. The inquiry heard that a 20mph temporary speed limit was in force on the approach to the station.

Mr Kenneth Bradley, aged 35, a signaller at South Croydon, said the train had been travelling "faster than one would have expected" as it passed his signal box.

Mr Richard Budgen, aged 39, an operating depot supervisor at Croydon, who passed the maintenance train during its approach to East Croydon station, said the driver of his

locomotive said to him: "That ballast train is moving". Mr Donald Stewart, aged 47, the East Croydon signaller, said the approach signal before the station was at red because the Brighton to London Bridge mail train had just passed it and had stopped at the station.

His indicators showed the signal to be red, with warning signals further down the line. He would have expected Mr Walton to stop at the red signal and telephone him. Instead, the train continued into the station and smashed into the back of the mail train.

British Rail technical experts told the inquiry that tests had shown there was no fault with the signals and no apparent defects in the locomotive.

Major Anthony King, chairman of the inquiry, said he had now to interview Mr Walton. "What we do not know are the circumstances which may have led driver Walton to lose control of the locomotive or to cause the accident."

A British Rail official said that as far as British Rail was concerned Mr Rowles had "no responsibility whatsoever for the accident."

## 'Times' interview

## Sir William wears all the caps that fit

By Bryan Appleyard

To those who know him almost anything Sir William Rees-Mogg took on would be unimposing. His reputation as a polymath is well established on the basis of his disconcerting habit of displaying profound knowledge in unexpected areas. Yet it has to be said that his impending chairmanship of the Arts Council, announced last Thursday, has raised a few eyebrows. With the exception of eighteenth century literature, an interest in the arts is something he has generally left to others to cultivate.

Combine that with the fact that Mr Paul Channon, the Arts Minister, was known to have been looking for a businessman to fill the post and, in spite of Sir William's recent experience as a director of GEC, and his unsuitability would appear to be absolute. With typical diffidence he is the first to admit to his shortcomings: "I am less of a businessman than a pure businessman might be and less of an arts man than a pure arts man might be."

The rationale, however, follows with equally typical conviction: "But I am involved in both areas and would add to that the third leg of what the Arts Council has to do: it has to be able to establish public relations with the sponsoring departments and with the press and the media."

Sir William was speaking seated in a battered, bentwood rocking chair which would be familiar to *Times* men of more than a year's standing. It is now housed in the offices of Picketing & Chatter, the Bloomsbury antiquarian book dealer of which he is proprietor. Again, disconcertingly, this is not set in an elegant Georgian terrace but in the brutal concrete structure known as the Brunswick Centre.

Along with GEC and the bookshop there is also his role as deputy chairman of the BBC which, together with this new post, will result in him "riding slightly harder than I did when I was editing a daily newspaper."

Last week a rival publication inferred that this variety of roles was too much for one man, but it had reckoned without the discretion of Sir William's mind which can unite the disparate and envisions the world as a seamless web, an ultimately intelligible system.

## Cultural side of the BBC

"I am fascinated by the way things interact, for instance through GEC I have tried to get an understanding of what is happening in electronics. That very much fits in with questions of how electronics are going to develop for the future of the BBC. Through the BBC I am very interested in the cultural side of the BBC's output. This fits directly into the work I shall be doing at the Arts Council. Of the things that the Arts Council does I regard literature, though not one of the things which is likely at any point to get the biggest funding, as very important."

"So, although I do wear a considerable number of hats actually they do interact in a way which I think does bring knowledge and experience from one to the other. There is room in our system for people that act as links between different bits of the system that help them to relate to each other."

For the Arts Council this neo-Augustan mandarin is unlikely to be the calming experience they may at first expect. At the BBC he has already established himself as a governor with the unique qualification of actually knowing people's names and even what they do.

But for the time being, he is offering few clues as to his intentions. He is discreet about the past work of the Arts Council; but the one area of his future activities which he does discuss reveals a perception of one of its most significant deficiencies.

"Without making any comments about the past I would hope to establish a very open relationship with the press. Most of my experience of dealing with the press is mostly over crises at *The Times* actually tells me that far more harm is done by people who will not talk frankly than by the mistakes you make if you do talk frankly."

But as for the faintly fantastic mixture of Sir William and the wider left-wing extravaganzas financed by the Arts Council, his position appears to be one of traditional Tory tolerance, though with some regrets.

## Compensation reform sought

By John Young, Agriculture Correspondent

A delegation from the National Farmers' Union, the Country Landowners Association and the Royal Institution of Chartered Surveyors is to meet Mr I A Christopher, the Inland Revenue's chief valuer, on March 15 to press for changes in the compensation procedures when land is compulsorily purchased.

Dr Malcolm Bell, principal secretary in the NFU's parliamentary division, says there are hundreds of cases like that of Mr John Allen-Stevens who, as reported in *The Times* last Monday, has been waiting nearly four years for settlement of his claim after a new bypass was built across his farm.

The NFU and the CLA agree on most of the criticisms. The first and most important is the sheer time it takes to agree a figure with the district valuer who,

according to Dr Bell, usually begins by suggesting a sum which is about half the market value of the land.

Months or years of argument then ensue. Often, it is said, small landowners are forced to settle for sums lower than they might eventually have received because they cannot afford to wait any longer.

There are provisions for arbitration by the Land Tribunal, but many landowners are deterred by the potential expense.

One suggested reform is the establishment of a special small claims court to hear compensation cases. Another is to restrict the power of government departments and local authorities to challenge arbitration awards in the High Court, the Court of Appeal and even the House of Lords.

Another grievance is the

inadequacy of awards to cover the cost of maintaining fences. At present the Department of Transport has responsibility only for fencing off motorways.

Both the department and local authorities, as well as such statutory undertakings as gas and electricity boards, usually disclaim any responsibility for damage caused by contractors. That can involve landowners in expensive litigation against an elusive quarry.

Dr Bell also questions the fairness of the Land Compensation Act, 1961, which states that land acquired by compulsory purchase must be valued as though it were bought from a willing seller. In fact, he points out, sellers are usually very unwilling.

A little more generosity to landowners would not, it is said, hurt the taxpayer unduly.

## Nature trails from rubbish tips

By Hugh Clayton, Environment Correspondent

Ecologists believe that rubbish tips may have a more promising future as nature trails than as cornfields or housing estates. "I think we can argue that it can be the cheapest and most compact solution," Mr David Parker, an officer with the environmental advisory unit at Liverpool University, said yesterday.

Speaking at a conference of the Institution of Municipal Engineers in London, he offered an alluring vision in which butterflies fluttered over the remains of countless cans and toothpaste tubes while warblers nested over

the shredded remains of office memoranda.

"The bramble is a valuable plant for insects, and the flowers can support substantial numbers," Mr Parker said. "The bramble will also attract people to pick blackberries in the autumn."

A rubbish tip or disused gravel pit could be restored to provide a gently-sloping woodland walk interspersed with open glades. The varied landscape would be necessary because trees would not grow on those parts of the tip where explosive methane gas was close to the surface.

Mr Alan Parker, of the waste research unit at the Atomic Energy Research Establishment, Harwell, Oxfordshire, told the conference that gas sometimes caused explosions in buildings on rubbish sites.

Dr Graham Parry, director of the Liverpool unit, explained that slow underground decomposition could produce methane which would kill farm crops on the surface by starving their roots of oxygen. "It is a nice idea to consider the reclamation of landfill sites for agriculture, but it is not without its problems."

## Communion by woman defended

By Clifford Longley, Religious Affairs Correspondent

The Anglican Bishop of Newark, New Jersey, has rejected criticism by the Bishop of London, Dr Graham Leonard, of a Holy Communion service celebrated by a woman priest in St Paul's, Newark, New Jersey.

The Rt Rev John Spang, a bishop of the Episcopal Church of America, told his congregation in Trinity Cathedral, Newark, that Leonard was stretching the concept of the established church to breaking point.

The Church of England has declined to ordain women, and does not allow women ordained elsewhere to officiate as priests in England.

The Rev Elizabeth Canham was licensed to officiate in the United States by Bishop Spang in December. She then came to England and celebrated the eucharist in the sanctuary of St Paul's in private. Dr Leonard deplored this, saying that the service was illegal.

The Very Rev Alan Webster, Dean of St Paul's, said the service had taken place with his consent, and he did not accept that it was illegal.

Bishop Spang's statement claims that there were deeper issues behind the event than the Dean's consent to it, including "theological arguments" produced to criticize it. He went on to criticize the Archbishop of Canterbury, Dr Robert Runcie, for supporting Dr Leonard.

The Movement for the Ordination of Women is believed to be planning a private communion service conducted by a woman priest from overseas to be attended by a diocesan bishop.

A private member's motion has been tabled in the General Synod of the Church of England which would lift the ban on women priests from overseas officiating in England.

## Lawyers oppose new powers for courts

By Frances Gibb

The Government's new powers for judges and magistrates to suspend part of a prison sentence, to relieve prison overcrowding, are being opposed by the Law Society, the solicitors' professional body.

The powers, which the Government intends to introduce on March 23, will be debated by MPs examining the Criminal Justice Bill in committee today. The Law Society has written to all members of the committee setting out its opposition to the measure which, it believes, will increase the number of offenders in already "grossly overcrowded" prisons.

More offenders will be sentenced to immediate imprisonment because courts which might have imposed suspended sentences will now be tempted to give offenders a taste of prison, the society says and many offenders who would have been given a short immediate prison term will be given a term, part of which will be suspended and activated if the offender commits another offence.

The society adds that in the opinion of its criminal law committee, it is "wrong in principle for an offender to be left in prison with a suspended sentence hanging over his or her head."

Initially, the new powers will apply only to offenders aged 21 and over who are sentenced to not less than six months and not more than two years in prison. Courts will be able to suspend between one quarter and three quarters of the sentence.

Provisions in the Criminal Justice Bill are intended to make the use of partly-suspended sentences more flexible.

The society has also expressed concern over another measure in the Bill which has aroused opposition from, among others, the Legal Action Group, the lawyers' pressure group: the measure

to relax the eight-day remand rule, so that it will no longer be necessary to bring prisoners on remand before courts every eight days.

The Magistrates' Association yesterday criticized a measure in the Bill which empowers the Home Secretary, in an emergency, to release prisoners. Lady Ralph, chairman, said: "There are principles deeply valued in our system of justice which should not be undermined in a time of crisis. This measure allows the executive to set aside a decision of the judiciary and a number of magistrates are very concerned about it."

The decision should be submitted to Parliament, she said. "Law and order is established by the attitude of the public and the Home Secretary should not, at a stroke, be able to undermine the practice of the law."

Sir Nicholas Bonsor, Conservative MP for Nantwich, is expected to table an amendment to meet the association's objections when the clause is debated in committee today.

## 'Straight' report call

A monthly government publication containing reports of Scottish crime and court cases is needed to counterbalance the media's highly selective reporting of the subject, a report from Glasgow University's Department of Sociology said yesterday. (David Hewson writes).

The authors of the report, said that crimes involving sex and violence appeared more frequently in newspapers than their occurrence would justify.

They recommend that the Scottish Home and Health Department implement an independent channel of information on the "true picture" of crime in Scotland. *Bias in Newspapers Crime Reports* (Jason Dillon, James Duffy, Glasgow University).

## BLACKMAIL CLAIM IN FRAUD CASE

From Our Correspondent, Manchester

Julie Goodyear, the Coronation Street actress, was blackmailed by a former boy friend, a jury was told yesterday.

Mr William Clarke made the allegation at Manchester Crown Court where the actress and two other women deny conspiracy to defraud the public over a charity competition.

Clarke, who has already admitted fraud, was being questioned about a piece of paper which he said contained the name and address in Weston-Super-Mare of the actress's former boy friend. Clarke handed the paper to Judge Gerrard, saying that it was in Miss Goodyear's handwriting and that she had asked him to visit the public.

When asked if it was the name of a man to whom Miss Goodyear had been engaged he replied "Yes, and he was blackmailed her". Mr Harold Singer, counsel for Miss Goodyear, alleged Clarke was trying to "Get in another dig" at the actress. "You are forcing me to do that", Clarke replied.

The prosecution alleges that Miss Goodyear, aged 39, of Rochdale Road, East, Heywood, Manchester, Janet Ross, aged 28, of Berwick Road, Blackpool, and Victoria Montague, aged 24, of Gloucester Street, Atherton, Lancashire, were part of a conspiracy to defraud the public.

It has been claimed that a competition to raise cash for a cancer research fund did not sell enough tickets to pay for the prize car. The winner of the car was fixed and the vehicle then sold with the money being put back into the fund, it was alleged. The trial was adjourned until today.

# Take a new look at THE LISTENER

NOW WITH THE VIEWER/LISTENER GUIDE TO BBC DRAMA, FILMS AND MUSIC FOR THE WEEK AHEAD.

This essential guide for discerning viewers and listeners is an addition to our regular features - including in this week's issue the letters of Stalin's daughter Svetlana to Malcolm Muggeridge, and Robert Robinson's BBC tv portrait of W. H. Auden.

## THE LISTENER

ON SALE NOW 50p

# Adventure training for 7,000 youngsters

## RESERVE FORCES

Up to 7,000 young people are to be offered Outward Bound type courses with the armed forces, Mr John Nott, Secretary of State for Defence, announced in a statement in the Commons. The courses would be between two and three weeks and would be free.

Mr Nott also gave details of his proposals to expand the Reserve Forces.

Mr Nott said: In the Reserve Forces, we have been able to give greater emphasis to the reserve forces, and that we have intended to expand the strength of the Territorial Army steadily from 70,000 to 86,000 men and women.

Our first priority must be to improve the operational efficiency, equipment, accommodation and structure of the present Territorial Army. As the House knows, in the coming financial year we are providing for an increase in the number of independent units and if this increase is used effectively it will enable the TA to achieve a higher standard of training overall. We shall also be allowing selected units to recruit up to 500 above their establishment — "overhead" where they can make good use of the extra numbers.

We shall be raising new units. These will include the equivalent of two new regiments of Royal Engineers for home defence tasks (six squadrons in all). One extra company will be raised for the Royal Irish Rangers, the 51st Highland Volunteers and the Royal Regiment of Wales. Reconnaissance platoons will be formed for 15 of the Infantry battalions with role and signals rear link platoons will be provided to those NATO battalions which require them.

In addition, better use will be made of existing units through reorganisation. The Infantry division based in Britain which will reinforce BAOR on mobilisation will include two brigades formed largely from TA combat units. This division will also rely for its logistic support on a regiment's worth of TA logistics units based in Scotland, the North of England. For home defence, the pressing need for improved reconnaissance will be met by re-rolling three yeomanry regiments.

The expanded Territorial Army must have suitable accommodation and equipment for its new demands. Twelve new Territorial Army centres will be started this year and existing accommodation will be modernised and improved. Issues of Milan anti-tank weapons and Cansman rakets are proceeding well and that of the eight tonne truck has just started. The new anti-armour weapon and the new small arms for the 1990s will be issued early to TA units assigned to BAOR.

I would also like to announce the creation of a new home service force which we plan to start by early September as part of the TA and will consist largely of men with considerable regular service experience. The Force will provide assistance to the regular forces in time of tension and war, particularly in the guarding of vital United Kingdom installations.

A total of four trial companies will be raised in Scotland and Eastern, Western and South Eastern Districts. If the scheme is successful I envisage that the strength of the force could reach some 4,500.

We must be able to mobilise our reservists rapidly. The new computer-based individual recruitment plan halves the time needed to mobilise our regular reservists. In last year's exercise more than 30 per cent of reservists reported and we shall build on this major success so that the TA can be mobilised in less than 48 hours to cover more than 50,000 men and women.

We shall go ahead with re-equipping the Royal Naval Reserve. Two of its three highly effective mine-hunters have already undergone major refits and the third is currently doing so. We aim to replace the RN's mine-sweepers by new vessels — Fleet mine-sweepers — at the earliest opportunity and I can confirm to the House that we are now taking fresh tender action and that orders for the first two of four will be placed this year.

In the case of the Royal Air Force the House will be aware that the RAF is currently doing so. The ground defence of operational airfields were set up on a new basis in July, 1979, at Hounslow, Lossiemouth and Scampton. I intend to form further squadrons at St Mawgan, Bournemouth and in the course of the next two years.

Finally, there are the cadet forces which have an important role in youth community service and as a source of recruiting to the regular services. We plan to provide some additional support for them in 1982-83, including an increase in expenditure on essential work services and new huts.

The significance of reserve service lies just in the extra military capability which it gives, vital though this is. Just as important is the demonstration of the commitment to their own security. The defence of our nation must be seen to depend not only on the quality of our elite professional armed services but also on a widespread of popular commitment to our national defence.

Here are our young people who have little opportunity to come into contact with our regular armed services — a high priority for the Government. The House will be aware that the new small arms for the 1990s will be issued early to TA units assigned to BAOR.

Due to the very low numbers leaving the armed services at present and the consequential

reduction in recruit intakes, there is currently some spare capacity in the training establishments of all three services. I have, therefore, examined a number of possibilities for temporarily filling our excess capacity and have decided on the following scheme. My intention is to offer up to 7,000 young people a short two or three week period with each of the armed services starting from the middle of April this year. The courses and all travelling will be free.

Young men and women would apply through recruiting offices and would undertake courses with service instructors covering a range of activities.

The courses will be short but I hope that a period of mixing with service instructors will give the young people concerned an insight into service life.

The expansion of the TA and the RAF reserves, the creation of a pilot scheme for a new home service force, the continuing success of the Royal Naval Reserve and the continuing success of the RAF reserves will combine, I believe, to form a useful strengthening of our defences.

The modest, wholly voluntary scheme that I have announced for young people will I hope prove to be a success.

Mr John Silkin, Chief Opposition spokesman on defence, said: "The modest, wholly voluntary scheme" for young people was not as ambitious as they had been led to believe by the leaks in the press. This was a reserve forces statement, not a very revolutionary one. It was surprising to note that it had been made by the Secretary of State himself and not by a junior minister.

There was a reason for this — the realization on both sides of the House that there is alarm and concern about the future of the Trident programme and its effect upon the conventional defence of this island.

Mr Nott's press release on February 25, it was shown that total recruitment for the armed forces was down by 54 per cent in the last half of 1980, against the last half of 1979. The recruitment of Royal Naval officers had decreased in number by 50 per cent in the same period. Royal Naval ratings had decreased by 87 per cent. The Army was down by 55 per cent and the RAF down by 25 per cent.

The whole of the statement was a smokescreen to prevent the House from understanding what is being done to the conventional forces of this country.

Mr Nott: I decided to give the statement myself because in the Defence White Paper which we published last June we laid considerable emphasis on the need to extend our reserve forces.

When Mr Silkin had said the scheme for young people was not as ambitious as some newspapers



Nott: Modest scheme

had predicted, it was not clear whether he would have liked it to be more or less ambitious.

I was hoping at one time (the went on) that we could have a more ambitious scheme, because of the ideas being considered for using it as part of the youth employment arrangements but this was met by opposition from the Manpower Services Commission and so we did not proceed with that more ambitious scheme.

The services now contained far greater number than they did when Labour left office. The last quarterly figures showed the out-leave claims for the TA were 1,000 less than the numbers leaving — was lower than at any time since conscription, and that was something one should be pleased about, because it indicated there was a highly trained professional service.

It was because out-flow from the services was low that recruiting this year would be about 23,000 for all three services rather than a higher figure that would be expected if retentions had not been so high.

Sir Philip Goodhart (Bromley, Beckenham, Lab): Is there any intention to increase the number of regular officers and NCOs and to recruit to TA units?

Mr Nott: We are creating specialist training teams and recruit teams which will be composed of regular soldiers, NCOs and officers, to try to help improve the training, recruitment and efficiency of the existing TA.

Mr Alan Beith (Berwick-upon-Tweed, Lab): We welcome the strengthening of the TA. The cost of the TA unit has been described as an adventure holiday scheme. There can be nothing to which anyone can take exception, but the fact that the Government is unable to tackle the major problem of three million unemployed.

Mr Nott: I called it a modest scheme and I am not making any claim for it. It is a modest scheme among young people it will prove to be useful. I do not put it any higher than that.

Sir Hector Monro (Dumfries, C), a former member of the auxiliary air force, said: All auxiliary will be delighted at their expanding role in the future defence of this country, in view of the great success of the Auxiliary squad-

Silkin: Alarm and fear

rons in the last war is there any hope of a flying role?

Mr Nott: There is not at present a plan to use the auxiliary air force in a flying role.

Mr Patrick Duffy (Sheffield, Attercliffe, Lab): Since at least 50 per cent of the combat forces available to Allied Command in Europe in time of conflict will come from reserves, is it not imperative that Britain's contribution to the defence of Europe should be based on the retention rate in the second year of the TA? Is he satisfied with the quality of the current training and equipment of the volunteer reserve — both crucial?

Mr Nott: Exercise Crusader, involving many thousands of our reservists for the reinforcement of our regular divisions on the Rhine, was an enormous success. It was thought by all our NATO allies to have gone remarkably well and has greatly increased the confidence of NATO in our ability to reinforce and reinforce rapidly.

Mr Robert Brown (Newcastle upon Tyne, West, Lab): The short course for young people is a measure of the youth bankruptcy of this Government's policies. Why not think about spending some money to improve the efficiency of the TA?

Mr Nott: That is exactly what we are doing. We will be spending an additional £12m in the next financial year on the TA, over and above what had originally been intended, and over the next three or four years we are increasing expenditure on the TA by about £50m.

Mr Frank Allan (Salford, East, Lab): Is the ministry spending some money to improve the efficiency of the TA?

Mr Nott: It is nothing to do with national service or conscription. It is likely to be a lot of interest particularly in his part of the country.

Mr Nott: said later that the youth scheme probably cost about £1,500,000.

# Deep concern about Falklands

## FOREIGN

Statements in Argentina about the future of the Falkland Islands have caused Lord Carrington, the Foreign Secretary, and other ministers deep concern, Mr Richard Luce, Minister of State for Foreign and Commonwealth Affairs, said during a question time. He also said that the statements reported today (Wednesday) from Argentina had not been helpful to the solution of the dispute over the Falkland Islands.

Mr Luce said that he and the Argentine Under Secretary for Foreign Affairs had agreed in New York on February 26 and 27 on the need to resolve the dispute but he had made clear that the British Government had no doubts about British sovereignty and that no solution could be agreed which was not acceptable to the islanders and to the House of Commons.

Mr Kevin McNamara (Kingston upon Hull, Central, Lab): Will Mr Luce give an undertaking that under no circumstances whatever will the Government contemplate the transfer of sovereignty to a country which denies human rights, imprisons trade unionists, denies free elections, and in every way acts against traditions which the people of the Falkland Islands hold dear?

Mr Luce: Without a shadow of doubt, there can be no contemplation of any transfer of sovereignty without consulting the wishes of the islanders, nor without the consent of this House.

The statement reported to have been issued by the Argentine Government yesterday is not very helpful to the process we all want, to see the resolution of this dispute.

Mr Julian Amery (Brighton, Pavilion, C): Has the Minister's attention been drawn to the rather aggressive statement in the Argentine press I think yesterday? Can he assure us that all the necessary steps are in hand to ensure the protection of the islands against unexpected attacks?

Mr Luce: We have no doubts whatever about our sovereignty in the Falkland Islands and no doubts whatever about our duty to the islanders.

The statements Mr Amery refers to causes me and Lord Carrington, the Foreign Secretary, great concern. In our discussions last week in a friendly and cordial atmosphere should have been followed by a statement which is most unhelpful.

It causes me deep anxiety and is not helpful to finding a solution to the problem.

Mr Russell Johnston (Inverness, Lab): It is most regrettable that the Government was willing to embark on an economic aid programme for the islanders.

Mr Luce: The Minister for Development (Mr Neil Martin) is here and is answerable for that, but the per capita assistance there is very substantial. We propose to continue in that way.

Mr Richard Douglas (Dunfermline, Lab) asked for a statement on the most recent discussions between the Foreign Office and the Polish Government with regard to human rights.

Mr Atkins: The Government has made it clear to the Polish authorities that we deplore the massive violation of human and civil rights in Poland. We expect the Polish Government to lift martial law, release those detained without trial, and resume a dialogue with the Church and Solidarity as soon as possible.

Mr Douglas: Has he had contact with the International Committee of the Red Cross and received their views as to the number of people in internment and indicated the Government's anxiety regarding Mr Lech Walsaw? His continued detention without trial just as we would deplore the detention of anyone else. While in detention he was recently visited by a Polish priest and he appears to be in good health.

Mr Christopher Brocklebank-Fowler (North-West Norfolk, SDP): Has he seen reports in the newspapers today of a speech by Mr Heath expressing criticism of sanctions against Poland and does he agree with the assertion that the West can only influence the situation by pursuing a policy of détente in the long term?

Mr Atkins: I have seen newspaper reports of what Mr Heath said in the United States yesterday, but I am too close to hand to rely entirely on newspaper reports.

Sir Frederick Bennett (Torbay, C): We must not fall into the trap of thinking the situation was necessarily ameliorated by the lifting of martial law and that this will lead to the release of political prisoners and a return to human rights. There is no martial law in the Soviet Union and there are no human rights there.

Mr Atkins: Yes, I think he may have been misled by the communists issued following the discussions in Russia yesterday between Mr Brezhnev and General Jaruzelski, which stated that any attempts at changing socio-political situation will be cut short in a most resolute manner.

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# Service charge fiddles in hotels

## HEAD

The addition of an obligatory service charge to hotel and restaurant bills resulted in a multi-million pound fiddle which robbed staff and conned customers, Mr George Robertson (Hamilton, Lab) said.

He was given leave to introduce the Hotels and Restaurants (Control of Service Charge) Bill which would regulate the administration of service charges in hotels and restaurants and for connected purposes.

He said it was a simple, uncontroversial measure designed to produce justice for

both customers and staff. The service charge of between 10 and 15 per cent on the bill, he added to bills had to be paid by law, but it was remarkable that although it had taken the place of the tip, it was not the property of the staff but of the management.

It could be used in any way the management desired, including the padding out of the disgracefully low wage laid down by the wages council.

This was outrageous skimming off of cash as it affected both customers and staff and the staff had no right to know how much had been collected or how it had been distributed.

What was to stop the manage-

ment adding to the bill a charge for rates, for gas price increases or even a maternity holiday? The Bahamas? It was a scandal that money due to the lowest wage earners should be handed in this way.

His Bill would mean that customers would know where their money was going.

Parliament today Commons (2.30): Questions: Agriculture, Prime Minister, Lord Industry Bill, remaining stages. Orders relating to mineworkers. Lord Henry (2): Mental Health Bill, third reading. Antiquities Bill, committee.

Labour MP ordered to leave

## CANADA BILL

Mr Dale Campbell-Savours (Wokingham, Lab) was ordered to leave the Commons chamber at 11.45 after a 15-minute session of the committee stage of the Canada Bill, by Mr Bernard Weatherill, the Deputy Speaker, for persisting in asking for an amendment relating to abortion in Canada to be considered.

Mr Campbell-Savours rose numerous times, on several points of order, to maintain that by the passage of the Bill as stood, the Commons were legislating for abortion in Canada. He said he was trying to prevent this situation.

He repeatedly asked the Deputy Speaker to reconsider his decision not to select his amendment that "nothing in this charter affects the authority of Parliament to legislate in respect of abortion".

He said he was not trying to provoke a debate on abortion, just trying to prevent the Commons legislating on the issue for Canada. He was supported by Mr Kevin McNamara (Kingston upon Hull Central, Lab), who also raised points of order on the same subject.

Arguments about the issue were raised in Canada, Mr Campbell-Savours said. MPs should vote on the subject or at least debate it. The House of Commons was being held over a barrel. MPs had been told they could not amend the Bill because the Canadians would take exception to it. The House of Commons was being used to amend the Bill by the Canadians. He said he was trying to prevent this situation.

Mr Weatherill said that he had considered the issue carefully and had decided not to select the amendment. He refused to accept Mr Campbell-Savours' request for a manuscript amendment on the same subject. He told the MP he could raise the issue on clause stage.

# Newspaper Peers press a misuse of GLC funds for third world aid

## LONDON

The provision of funds by the Greater London Council towards the cost of publishing The Londoner newspaper was a scandalous waste of ratepayers' money at a time when the GLC was pleading that it had insufficient money to pay for essential services, Lord Ellenborough (C) said at question time in the House of Lords.

He asked the Government to confirm that the annual cost of publishing the paper was about £500,000 a year.

Lord Ellenborough went on: Will this blatant misuse of funds be looked into by the district auditor? Will the minister condemn loudly and publicly the practice of using ratepayers' money for what is only thinly disguised political propaganda at a time when the GLC is pleading that it has insufficient money to pay for essential services, Lord Ellenborough (C) said at question time in the House of Lords.

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# Peers press a misuse of GLC funds for third world aid

## OVERSEAS AID

Britain could not solve its own economic problems unless it did the same for the rest of the world, Lord Oram, of the Opposition, said in opening a debate on the deteriorating situation of less developed countries, the British Government's report and the Government's response.

He said that by calling attention to the need for accommodation in oil matters, the Brandt report was simply asking for international common sense and for the common sense would lead to prearranged disaster.

There should be a package of proposals such as the Brandt Commission put forward for better access to Western markets for commodities from third world countries, a more generous aid programme, increased provision of special drawing rights from the IMF, and recycling to the developing countries' surplus from oil which the Opec countries earned.

Lord Banks (L) said that in spite of the new hope the Brandt report had given, the deteriorating situation of the world was becoming more and more desperate. The wider and the mountain of debt of the poorest countries increased. Those countries faced possible financial collapse.

The Bishop of Derby (The Rt Rev Cyril Bowles) said that government and voluntary agencies must work together to help the world overcome the vast problems facing least developed countries.

Lord Holderness (C) said that the United Kingdom's ability and willingness to import finished goods and commodities at a remunerative price to the producers would ultimately be of far more use to developing countries than an expansion of the aid programme.

Lord Vernon (SDP) said that if, as the Brandt Commission stated, 800 million people were living in poverty today, he wondered what thing would be like in 20 years when the population in many of those countries would have doubled.

Lord Hatch of Lusby (Lab) said the state of indebtedness of the third world towards the banks of the western world was on the verge of crisis proportions and could easily begin to undermine the international financial system.

Lord Harris of High Cross (Ind) said the total flow

# SDP support slips as the Jenkins campaign opens

By Julian Haviland, Political Editor

A marked fall in support for the Social Democratic and Liberal Alliance in the past week, indicated in opinion polls, is confirmed by an analysis published today of voting behaviour in local by-elections.

The downturn in the fortunes of the alliance coincides with the effective opening of the campaign for the parliamentary seat of Clackmannanshire, for which the SDP's Mr Roy Jenkins, the former prominent of the former leaders of the SDP and the only one who is not an MP, is contesting the seat for the alliance; the Social Democrats and the Liberals both see his success in returning a Conservative majority of 2,000 (or 5.6 per cent) as crucial to their future.

Whereas before Christmas the alliance was winning two out of every three local by-elections that ratio fell to ten out of 20 in January, and to four out of 19 in the three weeks to February 25.

The analysis, published in this week's *New Statesman*, is the work of the paper's political editor, Mr Peter Kellner. Comparing the votes cast in February in 16 elections where there were three-party contests with the results in 16 similar seats in November, Mr Kellner has recorded an eleven-point drop from 49 per cent to 38 per cent, in support for

Gain and losses in local by-elections January-February

	Before	Net	Now
Cons	22	-6	14
Lab	8	3	11
Lib	0	-4	7
SDP	0	2	4

alliance candidates in the course of the three-month period.

Although new figures suggest that the Social Democratic Party is slipping in popularity against the established Labour and Conservative parties, SDP managers reported yesterday about 400 new members are still coming in each week. That is taken by them as a more reliable guide to state of public opinion. (Our political staff writes).

Total membership is now about 79,000, a year after the launching of the new party. What is crucial is the rate of membership renewals at the end of a year's political activity. The SDP leader would like it to be 100 per cent, but they accept that 75 per cent would be more realistic taking into account the first rush of support.

**£4,000m plan to cut unemployment**

The SDP yesterday proposed a £4,000m injection into the economy in next week's Budget and said it would have the same effect on reducing unemployment as the Labour Party's suggested £9,000m boost. (Philip Webster writes).

Mr John Horam, the SDP's economic spokesman, described the package put forward on Tuesday by Mr Peter Shore, the Shadow Chancellor of the Exchequer, as wildly inflationary and said that the main measures being pressed on Sir Geoffrey Howe by his own backbenchers would have a minimal impact on reducing unemployment.

The SDP Budget package, whose effect, Mr Horam said, would be to restart economic expansion, is aimed at taking one million people out of the dole queues in two years, a similar objective to that set by Mr Shore.

In terms of adding to public borrowing it is notably more cautious than the budget package put forward by Mr David Steel, the Liberal leader, which envisaged a £6,000m boost. The difference is largely accounted for by the views of the two parties on the national insurance surcharge which the Liberals want to abolish, and the SDP wants to cut to 1.5 per cent.

The SDP proposes substantial public investment to reduce unemployment by 300,000 over two years and four measures to create jobs. Those are a £70 a week subsidy to employers for each additional worker employed, who had previously been unemployed for six months; a crash house-improvement and insulation scheme; a youth employment subsidy of £30 a week.



**Scotland Yard, Interpol and port and airport authorities have been alerted in an attempt to stop Mrs Shulamit Martin, aged 31, (above) from leaving Britain with her son, Gil, aged five, (right). It is believed she may be heading for Israel where her family lives.**



A High Court judge in London has ruled that the boy should be returned immediately to his father, Mr Arnold Martin, (above) who raised the alarm when his wife and son went missing from the family home in Epping Upland, Essex, on Saturday.

Mr Martin, aged 35, an aircraft broker, said: "I haven't a clue why she has done this. I had no indication that she had intended to leave. We had some problems about two years ago. She took Gil to Israel on that occasion. But we have been back together for some time. The judge lifted reporting restrictions in the hope that publicity would help trace the missing mother and son."

## Violence in schools: 3 Children bored to disruption

By Diana Geddes, Education Correspondent

About one million children in England and Wales, or one in 10 pupils, have marked emotional or behavioural problems, according to research by the Schools Council. A tiny, but growing, minority are considered sufficiently disturbed or disruptive to need special treatment away from "normal" children. The great majority remain in ordinary schools. Who are they?

A recent survey by HM Inspectorate for Schools (HMI) of short-term special behavioural units for disruptive pupils found a wide variety of children. Some were violent towards their teachers, their peers or both; others were quiet and withdrawn.

Some were clearly emotionally disturbed, others clearly not. Many had histories of petty delinquency and anti-social behaviour in and out of school, but a fair proportion had been in trouble only when in school.

The most common features found among the pupils in the units were that they had experienced serious difficulties in their relationships with adults, particularly teachers; they tended to have unsatisfactory home backgrounds; and they were overwhelmed by the school system as they were.

In general, they were not among the least able. They tended rather to be just below average in ability, but not so limited as to be singled out for special help in remedial groups.

ified in its secondary school survey as often giving the greatest cause for concern, not because they were the most troublesome but often did nothing to stimulate or develop them.

Mr Eric Bolton, the senior inspector for educational disadvantage, believes most disruptive children may not be very different from their peers. "Perhaps they represent the vociferous and rebellious tip of a much larger iceberg of bored and unmotivated pupils who as they get older find themselves less and less engaged by what schools offer", he says.

Mr Rom Harré, Fellow of Linacre College, Oxford, who has recently completed four years research into classroom violence and football hooliganism, believes there is a common factor underlying both forms of anti-social behaviour, an attempt by a child who feels devalued and humiliated to win back respect and dignity.

It is my fellow researchers believe that a very large proportion of these incidents are ritualistic", he says. "In school, seriously disruptive pupils are by and large those that think the school system has devalued them."

"Children believe that one way a school shows its respect for a particular class is to give them a strong teacher. They regard a weak, ineffective teacher as a deadly insult. Their first move is therefore to test the teacher with some relatively trivial disturbance to see how he or she reacts. "The kind of teacher they

respect most is an almost comic-book character - grey hair, tweed jacket, pipe-smoking, rather old-fashioned. It's pretty dangerous to appear dressed more or less as one of the kids."

Dr William Parry-Jones, consultant psychiatrist in charge of the Highfield family and adolescent unit at the Warneford Hospital, Oxford, who has been conducting research in the way teachers handle disruptive pupils, also believe that pupils prefer firm directive teachers.

"We found that the teacher who you or I may think is democratic, understanding and sympathetic in his dealings with children may not be seen as such by the pupil. At home and at school, children want adults who mean business, who do not try to blur the generation gap, who lay down explicit rules, and who explain what they are doing. I am not for a moment advocating old-fashioned, authoritarian discipline but children see lack of control as offensive."

Dr Parry-Jones is reluctant to provide a profile of "the disruptive child". Many factors are involved, he says, and much more research is required to discover how important each is. But of one thing he is like so many others, is increasingly convinced that schools and teachers can have a great influence for better or for worse on a child's behaviour, whatever that child's home background.

### Toll of winter

## Roads falling into ruin, motor lobby says

By Michael Bailey, Transport Correspondent

Thousands of miles of roads are crumbling after one of the worst winters this century, according to a study out today.

Unless councils' maintenance spending is allowed to rise many minor roads will fall into complete disrepair and will have to be closed. Others will become more dangerous, especially to pedestrians and cyclists, the British Road Federation says in a report to the Government.

Road maintenance has been cut by 19 per cent in real terms over a decade in which traffic has grown by 14 per cent and there is now an unacceptable level of neglect and risk, the federation says. It adds that to return to standards of the early 1970s, which were regarded as inadequate then, an extra £100m needs to be spent both this year and next, the equivalent of less than 3 per cent of this year's £6,000m "surplus" of road tax over road expenditure.

In the height of this winter's snow and frost, some counties spent £500,000 a week on gritting and clearance: money from severely pruned budgets which was not therefore available for road improvement.

The federation is even more concerned about the undermining of roads by frost and ice that breaks up

Local road maintenance and traffic: Britain

	Maintenance	vehicle	traffic
	£m	index	1974-1980
1973	820	100	100
1975	770	84	118
1978	705	86	110
1980	695	85	113
1981	685	81	(114)

the surface and allows water into the sub-structure. This damage is estimated to cost tens of millions of pounds.

"No one needs to be told of the visibility of spending restraints", the report says. "The potholes, overgrown verges, and unrepaired crash barriers are plain to see. More serious are the problems invisible to the ordinary road user: the underlying structure of the country's roads is at risk."

Grass cutting is now so minimal that drains get blocked and saplings start to grow in culverts, preventing the road draining properly and leading to structural damage. Road signs are becoming obscured.

The federation says local authorities should be encouraged to reinstate their planned programmes of cyclical maintenance, making the most effective use of resources. The alternative is to allow minor roads to fall into complete disrepair, become unusable except by the most robust traffic, and eventually close as some have already done.

## Criticism of private beds trend

By Annabel Ferriman, Health Services Correspondent

The encouragement being given to private medicine by the Government was criticised yesterday by Sir Douglas Black, president of the Royal College of Physicians. Sir Douglas said that had been opposed to the partial phasing out of pay beds in the health service because it took doctors away from their main hospital. "But I view with misgiving the opposite phenomenon of giving positive encouragement to a great expansion of the private sector, which is bound to lessen determination to make the health service work efficiently."

As agreed with the general judgment of the Royal Commission on the National Health Service that in the sixties and early seventies there was a reasonable balance between public and private provision of health services.

Sir Douglas, who was giving the Dame Juliet Rhys-Williams memorial lecture at the Royal College of Obstetrics and Gynaecologists in London, said that the encouragement of the private sector was a serious concern for the future of the health service.

## Working party on test-tube ethics

The British Medical Association's council yesterday accepted the recommendation of its ethical committee and agreed to set up a working party to consider the ethical implications of work on "test-tube" babies.

The association's central ethical committee and board of science is to decide its membership and terms of reference, and will report back to the next council meeting at the beginning of May.

## £1m appeal to save woodlands

By Ronald Faux

The Royal Society for the Protection of Birds (RSPB) yesterday launched a £1m appeal to protect woodlands. Birds depend on woodland and the RSPB said that about half Britain's ancient forests had disappeared since the war with serious repercussions for the birds living in them.

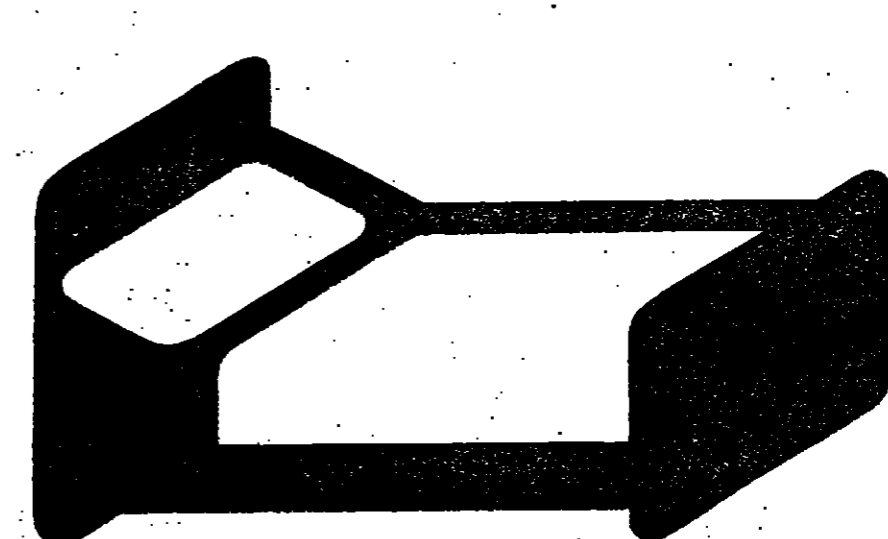
According to the most elegant logic, if things go on as they are, the last British hardwood will thud to the ground in the year 2020. If that projection has a ring of the eighteenth century fears that the growth of horse-drawn traffic in London could lead to the city disappearing under a heap of manure, Mr John Davy, deputy chief reserve officer for the society, said that as much woodland had been lost in the last 40 years as was felled in the previous 400.

"It is a very serious position", he said. "About half of the 204 species breeding in Britain depend on woodland."

The RSPB hopes that its Woodland Birds Survival Campaign will raise money to buy tracts of natural woodland that can be protected as nature reserves where rarer species can breed safely. The society is negotiating to acquire 400 acres of the finest oak forest in Southeast England, which supports a fine community of nightingales, hawfinches, redstarts and sparrowhawks.

All types of old woodland are at risk. Birchwoods have disappeared as fuel for log burning stoves. The ancient caledonian pine forest has dwindled to about 22,000 acres. Oak woodland on the hillsides of the West Country, Wales Cumbria and the Pennines has been greatly reduced because grazing sheep were allowed to eat the seedling trees.

# Where can you do all this without stopping?



These signs should be familiar enough to anyone who's driven on Britain's roads. And very welcome they are too. But each time you feel like a bite to eat or need to stop for a rest, you're lengthening the time of your journey. And as far as business drivers are concerned, time is money.

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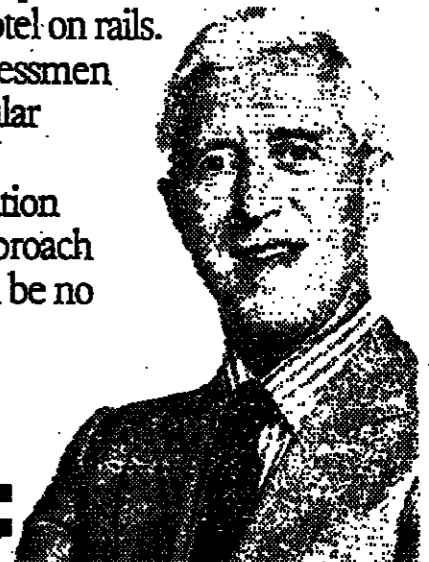
There are other benefits of train travel for which no road symbols exist. Like space to stretch your legs, ergonomically designed seats (cramp and back ache are

just different forms of 'car sickness'), air conditioning on many trains, superb views, a table to work at (try working in the car - or rather don't) and freedom from motorway jams.

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## NEWS IN SUMMARY

## Assault on jail sets 230 free

Lima. — Terrorists freed 230 inmates from a prison in the southern city of Ayacucho in a bloody attack in which 10 people were killed and several injured, the Peruvian Government said.

General José Gagliardi, the Interior Minister, said the dead included three policemen and seven of the attackers. He added that dynamite and machine guns were used in the main assault and in a series of diversionary attacks on three police stations and a hospital.

A state of emergency was declared in Ayacucho, an Andean city of 100,000 inhabitants and 210 police reinforcements were sent from Lima.

## Turkish line on Cyprus backed

Akara. — In the first official Turkish comment on the recent visit to Cyprus by Mr Papandreu, the Greek Prime Minister, Mr İler Türkmen, the Foreign Minister, insisted that intercommunal talks between the two Cypriot communities — and not internationalization — represented the only viable means of reaching a settlement.

Mr Robert Strausz-Hupé, the American Ambassador, told a press conference that he backed that view and that Washington's attitude had not changed.

## Referee flees field twice

Valdebeiso, Spain. — A referee ran a mile to a Civil Guards barracks to seek protection from angry football fans after ordering the local goalkeeper off the field in this southern Spanish town.

When the game resumed later, he gave a penalty against the visiting team, Cabezuela, and again had to run off the field as their fans turned on him. The match was abandoned.

## Strike stops papers

Amsterdam. — Some 40 Dutch newspapers failed to appear because of a strike by printers over the Government's plans to cut sickness benefits. Only two provincial papers appeared.

## Bonn faces its third scandal in one month

From Patricia Clough, Bonn, March 3

West Germany today faced its third scandal in a month as the federal prosecutor opened treason investigations against Bavaria's top security chief for allegedly divulging dubious activities by the West German intelligence service.

Herr Hans Langemann, aged 57, is suspected of revealing state secrets to the left-wing monthly *Konkret*. He is alleged to have divulged among other things, that BND the country's intelligence service, had placed an agent close to the then President Nixon in 1969 to influence him in favour of West Germany.

He was also quoted as saying that the BND had placed another agent close to Cardinal Franz König, the Archbishop of Vienna, and one of the Catholic Church's leading authorities on Eastern Europe. The agent's task was the archbishop's sources of information about Eastern Europe.

Top officials of the BND — the report claims — persuaded the Central Intelligence Agency in Washington to take inaccessible to the public captured Nazi-era documents in American archives linking a former Federal Chancellor Herr Georg Kiesinger, with the Nazi regime.

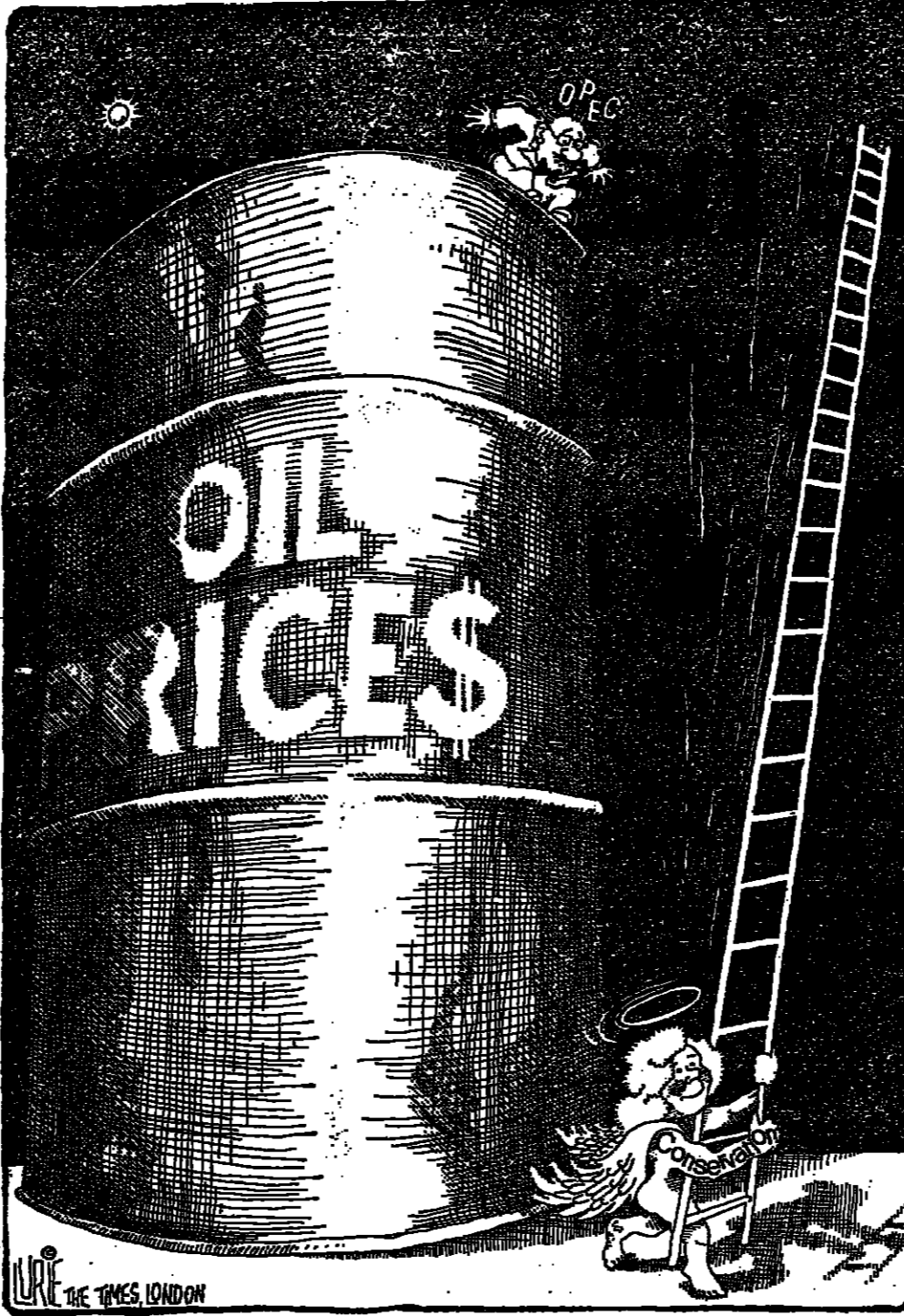
*Konkret* based its report on what it claimed were eight hours of tape-recorded reminiscences by Herr Langemann about his years as a BND agent and spy-master between 1957 and 1970. It also claims to have spoken to Herr Langemann himself and checked the mass of corroborating documents, many marked secret or top secret, which it published along with the article.

Herr Langemann, *Konkret* claimed, had written a manuscript about his experiences in the BND.

The secret report which *Der Spiegel* published on the poor state of the Bundeswehr provoked Herr Strauss to have the magazine's offices searched and its publisher arrested for suspected treason, had been sold them by officials of the BND, the monthly alleged. Herr Langemann was quoted as saying that he personally filmed documents which proved this from the seized *Der Spiegel* files under the eyes of the investigating prosecutor.

About the agent close to Mr Nixon, Herr Langemann is quoted as saying: "We didn't want any information from him... We wanted — that was the point of the operation — to let Nixon have German views from a close friend with whom he also financially involved."

Franz-Josef Strauss: Fresh light on "Spiegel affair".



## Britain parries Argentine sabre

By David Cross

The British Government yesterday expressed deep concern about the latest sabre rattling statements from Argentina on the future of the Falkland Islands.

Answering questions in the House of Commons, Mr Richard Luce, Minister of State at the Foreign Office, said that the statements, which were made after a meeting between British and Argentine officials in New York last weekend, had not been helpful towards a resolution of the long-standing dispute over the sovereignty of the British colony.

The Falkland Islands, which lie 300 miles off the Argentine coast in the south Atlantic, have been British since 1833 when British troops landed and expelled the Argentine governor.

Mr Luce reiterated successive British Governments' policy over the islands, namely that they will not be handed over to Argentina without the express approval of the Falkland Islanders and the British Parliament.

In a statement issued in Buenos Aires earlier this week, the Argentine Government said it would terminate negotiations with Britain this and seek other means of resolving the dispute unless there was a speedy settlement.

Officials in the Argentine capital said that the "other means" included recourse to the United Nations, a break in economic or political relations with Britain or a total rupture in diplomatic relations.

Mr Luce said that the British Government was deeply concerned by the latest Argentine statements and that it would continue to press for a speedy settlement.

Mr Luce said that the British Government was deeply concerned by the latest Argentine statements and that it would continue to press for a speedy settlement.

## Arrigo Levi: A Personal View

## Atlantic Alliance in need of a policy

The state of the Atlantic Alliance is unsatisfactory, although the member governments have managed so far to adjust and combine their different perceptions of the world situation after Poland.

Compromises between the divergent policies suggested by various governments (on economic and financial links with Eastern Europe, on tactics at the Madrid conference, on the conduct of military negotiations with the Soviet Union) have been produced with some difficulty, thanks to a deliberate effort to maintain a united front at a time of uncertainty and danger. But the so far, successful efforts of many worthy diplomats and political leaders have not wiped out a widespread fear that, when the time comes for hard decisions, the alliance may split wide open.

This may seem strange and even paradoxical, if one considers that the basic values of Western civilization, as well as the guiding principles and *raison d'être* of the alliance, have never seemed to be so necessary and valuable as they are at the present time. Military repression in Poland, coming after the Soviet invasion of Afghanistan, at a time when the military balance of power between East and West is endangered by heavy Soviet rearmament, ought to increase the importance of the Atlantic Alliance for all democratic nations. The tensions which keep growing inside the Soviet block, and the fact that the Soviet leadership seem able to react to these tensions only by using force, is a clear threat to us all.

But while there is no fundamental disagreement in the West on principles and values, there are deeply diverging views on matters of policy. Would a firm Western warning and clear indication that we are ready to go back to a cold-war relationship need be, help the Polish dissidents and remaining reformers more than a weak continuation of détente and cooperation?

Which policy — looking further ahead — would better help the rise of a new Khrushchev in the Kremlin, the coming end of the Brezhnev era? One that emphasizes the costs of a continuation of the present Soviet aggressive and repressive policies? Or one

that makes it easier for the future Soviet leaders to solve their domestic economic difficulties thanks to Western cooperation?

Discussion of these policy alternatives is still in its initial stages at government level, while it has already produced a flood of words by political experts in the American and European press. Opinions vary as much as they possibly could.

But we do not only face a problem of defining long-term Atlantic policy agreement on day-to-day tactics may be even more difficult to achieve. Since everybody genuinely agrees that a split in the alliance would be a disaster which must be avoided at all costs, a common statement on principles may be put together in time for President Reagan's visit to Europe next June.

But even if the Paris summit of the Seven and the Atlantic meeting which follows in Bonn produce the clearest of all possible documents (and one can doubt that they will), such documents will not provide all the answers to the practical problems which will later arise. We are facing a changing situation, and one loaded with dangers, which will demand a continuous adaptation of tactics.

The general raising of tempers, due to the most unfortunate coincidence of a crisis in Central America which deeply splits the American public opinion; but is it really a coincidence?, will put all transatlantic institutions under great stress.

No wonder that attention is again being given to the problem of strengthening these institutions. A "European-American act of friendship" has now been suggested by Signor Emilio Colombo, the Italian Foreign Minister, in a speech in Washington.

This "act" (a counterpart to the "European act" proposed by Signor Colombo and Herr Genscher, the West German Foreign Minister) should deal not only with principles and good intentions: it should also provide for periodic meetings between the foreign ministers of the Atlantic alliance and become an extension to America of Europe's political cooperation.

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## Getty funds will go to museum

From Ivor Davis  
Los Angeles, March 3

After being tied up in litigation for almost six years the J. Paul Getty bequest to his Californian museum in Malibu is being turned over to the seaside institution. The bequest will probably make it the richest museum in the world.

When the oil tycoon died in June, 1976, he left four million shares of Getty Oil Company stock, worth at the time \$700m (about £3.6m). At the time he had built in southern California, but had never visited, although he is buried in the grounds.

After long delays because of lawsuits and tax disputes the funds now are worth in excess of \$1,000m because of a four to one stock split and two stock sales and the current high interest rates.

The transfer of funds, however, began this week and will continue for the next few days. Under the Economic Recovery Tax Act of 1981, Mr J. Patrick Whaley, the museum attorney, said the museum would be required to distribute 4.5 per cent of its endowment three out of every four years. It is, therefore, expected to spend nearly \$50m a year.

Last year the museum spent only \$4.5m, so the increased revenue is enormous. New York's much larger Metropolitan Museum of Art has a budget of \$27m.

## Bulgaria purges officials for embezzlement

From Dossa Trevisan Belgrade, March 3

High-ranking members of the Bulgarian Central Committee have been dismissed in an embezzlement scandal connected with lavish festivities last year for the country's thirteen hundredth anniversary.

Among them is Mr Zhivko Popov, the former Ambassador in Prague and until his ambassadorial appointment the second man in the Foreign Ministry. He has also been expelled from the Communist Party, indicating that his offence was particularly grave.

Mr Popov had owed his spectacular rise to power to Ljudmila Zhivkova, President Zhivkov's daughter, who died last July after organizing the spectacular anniversary celebrations. Her death obviously precipitated the fall from grace of her protégés and raised questions about the vast sums she had spent on the festival.

The anniversary, which was celebrated all over Europe, culminated last October with a jubilee in Sofia attended by 4,000 dignitaries. About 50 jubilee committees were set up abroad to popularize Bulgaria, past and present.

A fund was opened for assembling papers and objects of historical value. Private persons and state organizations were asked to give financial support and vast sums were being spent on expensive publications which were distributed freely throughout the world. Mrs Zhivkova chaired the operation and was the initiator and the spirit behind the worldwide publicity campaign. But since her death there have been reports of embezzlement and misuse of the funds and inquiries into festivities abroad organized by Bulgarian embassies.

Another Central Committee member, Mr Mirco Spasov, who lost his post, is also believed to have been connected with the scandal. However, the Politburo member, Mr Peko Takov, was said to have been relieved of his post at his own request for reasons of ill health.

□ Economic reform: Compared with neighbouring Romania or trouble-ridden Poland, Bulgaria has been doing well economically but it has obviously reached the point where economic reforms have become imperative. Since the beginning of this year reforms have started in earnest to achieve greater efficiency through incentives and rational use of resources.

The most important change is to link wages and salaries to performance — the first recognition of the profit motive on the lines which Hungary has been pursuing successfully for more than a decade.

From now on, Bulgarian enterprises will be able to obtain funds only after they have marketed their output. Hitherto they were often producing unsaleable goods fit only for the storehouses.

## Duke follows a fresh trail

From Our Correspondent, Colombo, March 3

This week's visit — concerned with elephant preservation — to Sri Lanka by the Duke of Edinburgh, the president of the World Wildlife Fund, makes a thorough contrast to royal visits of yesteryear when elephant hunts were the first item on the programme of visiting British royalty.

William Howard Russell, remembered for his dispatches on the Indian Mutiny and the Crimean War, accompanied the Prince of Wales (later Edward VII) on a visit to Ceylon in 1877 and gave readers of *The Times* a bullet by bullet description of how the Prince shot an elephant and "according to custom, cut off the tail. As soon as his back was turned, the Gingeles (sic) took pieces from the day," ears as trophies of the day.

Elephants from Ceylon were used by Hannibal in his campaign in the Alps, and exports continued until the last century. British sportsmen and officials shot elephants like stray dogs. Major William Rogers killed 1,400; Sir Samuel Baker bagged around 1,000; and Major Thomas Skinner's score was 600.

Today, the Asian elephant faces extinction. There are only between 2,500 to 3,000 left in Sri Lanka and between 20,000 to 30,000 in the whole of Asia.

The greatest danger to the survival of elephants is from slaughter for the manufacture of curios for sale to tourists.

Mr Lyn de Alwis, the director of Wild Life Conservation, has shown the Duke 50 ivory bangles and two carved ivory elephants which are all that now remains of a magnificent tusker killed by poachers who had sold the tusks for 150,000 rupees (about £4,000).

The bangles and carved elephants which were seized by officials will be preserved in a special museum as a reminder of the danger to one of the country's greatest natural assets.

About half of the Sri Lanka elephant population is concentrated on one million acres of land that are being developed under the multipurpose Mahaveli river diversion scheme. During his visit the Duke will watch an elephant drive in which hundreds of tuskers will be driven from areas scheduled for development under the Mahaveli scheme to the safety of the Wilpattu Park, which is 65 miles away.

Sri Lanka was chosen as the headquarters for the Asian Elephant Secretariate last year after a conference organised by the International Union for the Conservation of Nature and Natural Resources.

## French fuel price cut likely today

From Charles Hargrove  
Paris, March 3

For the first time in 17 years, the price of petrol in France will probably be reduced tomorrow, by at least five centimes (about 1/2p) a litre.

The decision, which everyone expected the Cabinet to take yesterday, has been left to the government committee on prices so as not to give it too obvious a political flavour. But the proximity of the local elections on March 14, the first national test of the Government's popularity, will obviously be a main consideration.

This is confirmed by the fact that a new system of calculating the price of energy, to bring it more in line with fluctuations in the world oil market, is still under negotiation between the government and oil importers.

Previously, the price of oil products was fixed on the basis of a number of factors, including the dollar exchange rate. This system was suspended last summer. If it had not been, petrol prices calculated on a dollar exchange rate of 5.46 francs should have been raised by 20 centimes a litre since the price of the dollar is worth more than 6 francs.

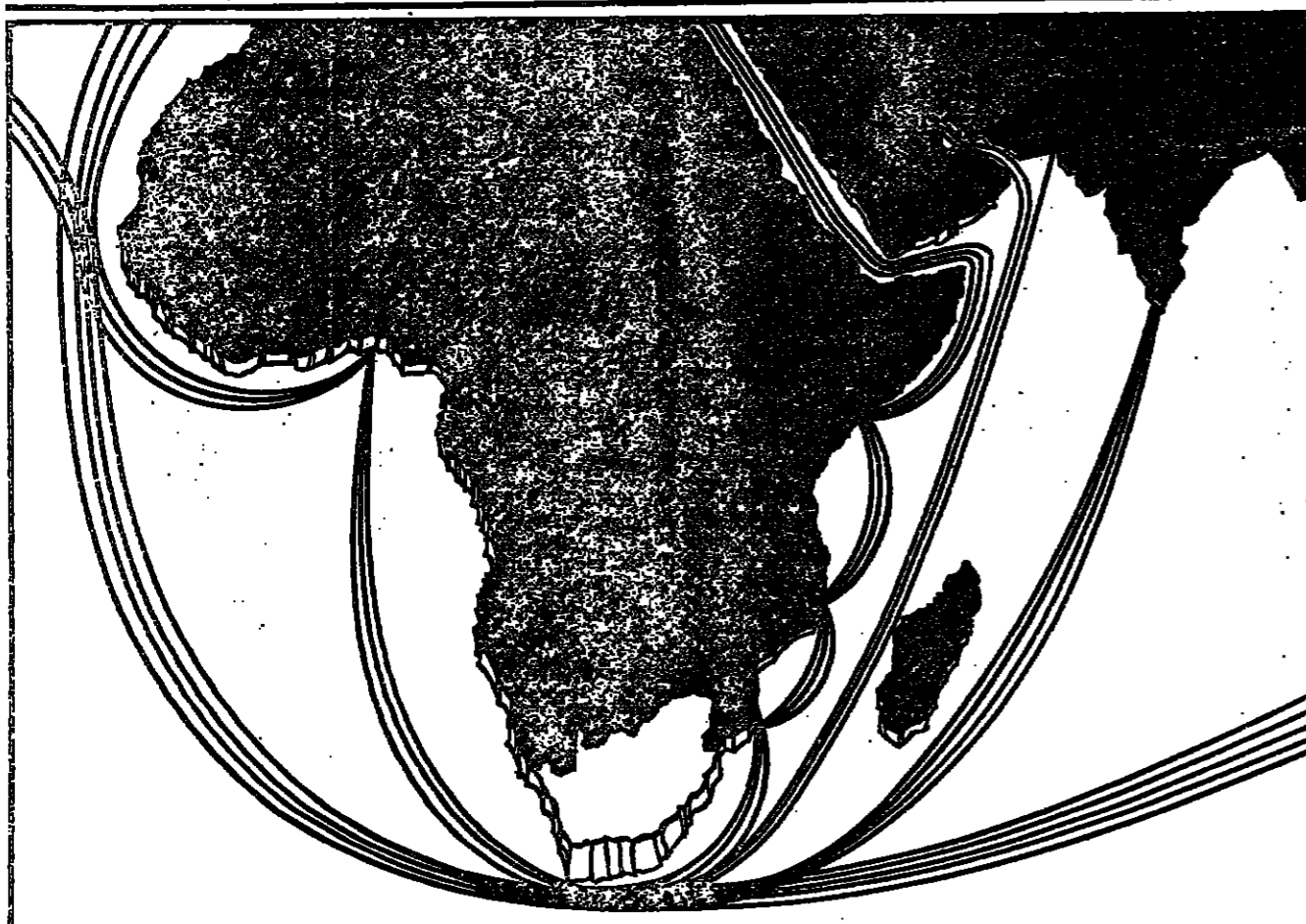
The loss to the oil industry, which suffers from surplus refining capacity and rising costs, will be practically cancelled by an increase in the price of diesel oil and kerosene, which is hardly likely to be popular with farmers and road hauliers.

The Government also has economic reasons for its decision. In France petrol costs some 50 francs more a ton than the European average, while the price of diesel and fuel oil is about 50 francs lower. The Government can also argue that the fall in world prices should have repercussions on the price of petrol.

Against this is the argument that the price cut could have waited a few weeks until the new system of calculating prices had been agreed with refiners, as some ministers argued; and that cutting petrol prices is an encouragement to use cars rather than the more environmentally friendly and therefore hardly consistent with the energy-saving policy.

But the Frenchman and his sacrosanct car, for which he is ready to sacrifice other items of his budget, like food, has won against all economic argument, the more so as the petrol price cuts will compensate the adverse psychological effects of other increases.

These include rises in gas and electricity rates.



**IF YOU WANTED TO CONTROL THE WEST'S SUPPLY LINES, WHERE WOULD YOU HAVE TO WIN CONTROL FIRST?**

You don't need a diploma in military strategy to put two and two together. Each month about 2,300 ships pass South Africa's coast, most en route for the West.

They carry 80% of NATO countries' oil supplies and 70% of their strategic minerals.

Indeed, the Republic of South Africa itself is the only stable country outside the Communist Bloc with large reserves of chrome, platinum, manganese and vanadium.

Without reliable supplies the West could not manufacture computers, machine

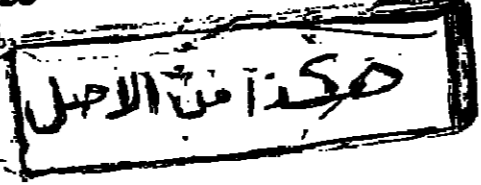
tools, aero engines, gearboxes, TVs, drilling bits and defensive armaments.

No wonder South Africa has been called the 'Persian Gulf of strategic minerals'. So you can see how the stability of the West and the stability of South Africa are linked.

Yet the mandatory arms embargo placed on the Republic by the U.N. means South Africa is unable to patrol the strategically important sea lanes around the Cape. On the other hand, the build up of the Soviet naval presence in the Indian Ocean is not hindered by such embargoes.

## South Africa

Further information can be obtained from The Director of Information, South African Embassy, South Africa House, London WC2N 6DP.



## Reagan told to insist on Salvador talks

From Moshin Ali, Washington, March 3

The House of Representatives is overwhelmingly approving a non-binding resolution urging President Reagan to press for "unconditional negotiations" among the two political factions in El Salvador. The House vote yesterday was 396 in favour and 10 against.

The resolution said that the negotiations were necessary in order to guarantee a safe and stable environment for the free and open democratic elections.

Meanwhile, Mr Alexander Haig, the Secretary of State, yesterday in testimony to the House Foreign Affairs Committee declared that there was no reliable evidence that the guerrillas in El Salvador were under external control.

He did not give details of the evidence but said it had been presented to congressional intelligence committees within the past week.

Answering questions, Mr Haig said: "The operations of guerrilla forces inside El Salvador are controlled from external command and control."

The Reagan Administration has previously said that Caribbean countries were confronted by a growing threat from Cuba and its new-found ally Nicaragua into El Salvador was again approaching high levels.

But Mr Haig's statement yesterday was one of the strongest official allegations yet that the insurgency

against the American-backed Government of President Duarte "is not controlled by Salvadorans."

Mr Haig, however, assured the committee that no plans to introduce American combat troops were being considered even if the March 28 elections for an assembly in El Salvador had "the worst outcome."

On the question of negotiations, Mr Haig had told the committee: "We must not be misled by the myth that the Duarte Government has refused to negotiate an end to the trouble in El Salvador with the Guerrillas."

Mr Haig added: "President Duarte has offered to negotiate on the electoral process, so that elections can proceed peacefully and the people of El Salvador can choose their own leaders without fear. The United States supports this call."

He noted that the Council of Bishops of El Salvador supported the electoral process, too, and had echoed the Government's call for all groups to desist from using violence to block the elections. The guerrillas have repeatedly refused to take part in the elections.

Mr Haig also said he expected increased guerrilla activities between now and the March 28 elections as part of a campaign to disrupt that process.

Leading article, page 13

From Paul Eilman, San Francisco, California, El Salvador, March 3

When Mr Deane Hinton, the United States Ambassador to El Salvador, visited this beleaguered provincial capital recently, he was confronted by a weeping British nun who begged him to intervene to halt the slaughter of local civilians by the security forces.

Mr Hinton, who has attracted criticism from opponents of United States policy in El Salvador, has publicly stated that he believes that the human rights situation in the country is improving. He advised President Reagan last month to certify that this was the case, as demanded by Congress as a condition for continuing aid.

However, the nun's account of her meeting with the envoy suggests that Mr Hinton in private is pessimistic about prospects of bringing about a real improvement in the behaviour of the Salvadoran security forces towards civilians.

"I think we made it abundantly clear that there's been no progress around here", said Sister Anselm, a Swansea-born member of the Order of the Sisters of St Clare, who has worked in El Salvador for almost 10 years.

She requested a meeting with Mr Hinton after discovering the bodies of three women parishioners who had been detained by the National Guard after attending Ash Wednesday Mass.

Mr Hinton had come to San Francisco Gotera, the

## Tragedy in El Salvador

## Weeping nun tells of mutilations in the field



Class favourite: President Duarte with schoolchildren in La Libertad during the campaign.

capital of Marazán province, for talks with local military commanders on the situation in this region, which had seen some of the most bitter fighting of the war.

Sister Anselm asked to see the ambassador on her return from the town of Cacopera, nine miles north of here, where the three women's bodies were found in a field. Two of them were the wife and sister of a catechist, Señor Andres Perez. To attend Mass they walked 10 miles along moun-

tain trails from their home in a village deep inside territory controlled by guerrillas of the Farabundo Martí National Liberation Front.

Señor Perez managed to escape from the National Guard outpost and, dressed only in his underwear, made his way back to his three children. "The body of his wife had been hideously mutilated. I knelt down by it to say a prayer but I just burst into tears," Sister Anselm said.

She said that she and the other two nuns from the convent — Sister Jean, from Port Talbot, Wales, and Sister Phyllis, from Florida — had been invited, with three Irish Franciscan priests, to meet Mr Hinton, but had declined originally because they did not want to be associated with what they regarded as a public relations exercise.

"But, I decided, in view of what happened, that it would be better to talk with the ambassador and ask him if

the United States couldn't do something. It really was a concrete example to present to him of something that goes on all the time here," Sister Anselm said. Accompanied by Sister Phyllis, she spent five minutes with Mr Hinton in a small room in the convent. "Mr Hinton said this was the sort of thing he was hearing all the time but that it was difficult for him. He reminded us that it had taken a year before the alleged killers of four American nuns were charged."

"He told us he was putting pressure on the Salvadoran military all the time, but that these people think differently," the nun said, adding that she had wept throughout the interview.

Asked to comment on this account of the meeting and the pessimistic assessment of prospects for ending excesses against the civilian population, a spokesman for the United States embassy in San Salvador said that the ambassador regarded the meeting as private.

Mr Hinton was appointed ambassador to El Salvador by President Reagan last year after the dismissal of his predecessor, Mr Robert White.

San Salvador: The ruling junta has launched a campaign to persuade people that parliamentary elections this month could help to end the war (Reuters reports).

President Duarte last night dismissed left-wing opposition charges that the present state of siege and continuing violence meant that fair elections for a constituent assembly could not be held as scheduled on March 28.

## Go-between role denied by general

From Stephen Taylor, Salisbury, March 3

Lieutenant-General Peter Walls, the former Zimbabwe Army Commander, today flatly denied through his lawyers here that he had arranged meetings between representatives of the South African Government and Mr Joshua Nkomo, the former coalition partner.

The statement comes after recent allegations in Salisbury that General Walls had arranged meetings while Mr Nkomo was allegedly plotting a coup to overthrow Mr Robert Mugabe, the Prime Minister.

The former commander said that he had only met Mr Nkomo in connection with the integration of his guerrilla supporters in the Army. He added: "These were at the instance of Mr Mugabe in his capacity of Minister of Defence", to whom he had reported back.

In the past fortnight, Mr Mugabe and a senior minister have claimed that General Walls had organised two meetings between Mr Nkomo and South African military men who had dismissed his appeals for help from Pretoria in staging a coup. The minister also claimed that the general was recruiting saboteurs in South Africa for activities here.

General Walls has lived in South Africa since being barred from Zimbabwe after admitting in an interview that he had considered leading a coup to oust Mr Mugabe.

In his statement he denied planning or taking part in any activities detrimental to the Government of Zimbabwe.

## Carrington speaks for five nations

From Our Correspondent, Nairobi, March 3

The Western contact group is working to overcome what it regards as a misunderstanding of its proposals for a Namibian constitution, Lord Carrington, the British Foreign Secretary, said here today at the end of his African tour.

Addressing a press conference after meeting President Moi, the current chairman of the Organisation of African Unity, he said the five-nation contact group was doing its best to make sure that its proposals — including a double-vote system — were properly understood.

He felt the proposals, which resemble the present West German system, had been wrongly criticized as over complicated. A paper was now being prepared to answer the objections of African states.

Besides being entertained to lunch today by President Moi, Lord Carrington attended a ceremony at which the Kenyan President opened new premises for the British Council here. The Queen sent a message of good wishes on an occasion which, she said, symbolized the warm and friendly relationship between Britain and Kenya.

Earlier, Lord Carrington had signed an exchange of letters with Mr Arthur Magugu, the Kenyan Finance Minister, for the supply of 5,000 tons of wheat under the British food aid programme. It will be sold on the Kenyan market and the proceeds will be used to finance agreed development projects.

## Soaring crime is blamed on American affluence

From Christopher Thomas, New York, March 3

Every city in the United States has experienced a surge in crime in the past 30 years, according to a study conducted for the Department of Justice.

It points to a surprising similarity in the rate of increase in cities that are different in location, size and minority population, and plays down the role of race and poverty in crime rates.

The North-Western University's Centre for Urban Affairs and Policy Research near Chicago spent three and a half years studying crime trends between 1948 and 1978 in every city with a population of more than 50,000, a total of 386 cities.

Dr Herbert Jacob and Dr Robert Lineberry wrote: "The growth of crime appears to be the result of fundamental changes in the lifestyles of Americans. It is the result of greater affluence which made more valuable goods available for theft, a condition aggravated by the greater propensity of Americans to leave goods unguarded in empty homes and expose themselves to dangerous

situations in travelling around their cities."

They added that it was also the consequence of the existence of a larger pool of potential offenders for reasons not well understood by criminologists. They concluded that crime had surged everywhere in the United States regardless of local efforts to stem the tide.

"Whether local officials engaged in Herculean efforts or none at all, the crime wave affected their community", they said.

The report said that cities bearing no resemblance to each other had a remarkably similar rise in crime. "Both the Newark and the Housatons of the United States experienced substantial rises in their reported crime rates."

Ten cities were studied in depth. Newark, New Jersey, which has a declining population, suffered the most with a sevenfold rise in property crime and an elevenfold increase in violent crime. Property crime doubled and violent crime quadrupled in the thriving cities of San Jose and Phoenix.

## Savak torture 'revived'

From Our Correspondent, Geneva, March 3

Tortures developed by Savak, the Iranian secret police of the Shah's regime, are being used on detainees in Evin prison, Tehran, according to a report submitted today to the United Nations Human Rights Commission.

"Three years ago ... no one expected the old Savak apparatus would be revived so soon or that the Pahlavi dungeons would become Isla-

mic torture chambers", the report said. It was prepared by the International Solidarity Front for Defence of the Iranian People's Democratic Rights.

"The number of Iranians killed by the Khomeini regime in the second half of last year is much higher than last year's official figure of 2,596", the report said. An investigation of rights violations was called for.

## What happens to your overseas contract if the money runs out?



In many overseas markets public and private capital expenditure is being cut back.

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Today, the Export Credits Guarantee Department is paying out more and more on bad debts, not only from politically shaky countries, but from traditionally stable ones as well.

Recently a British engineering firm supplied construction equipment to a customer in the Middle East.

But the customer fell victim to circumstance since the orders for the plant he had received were suddenly cancelled. This meant that he in turn had to let down his own suppliers when payment fell due.

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## Yates: romantic Twenties snob

Dorinda Yates  
By A. J. Smithers  
(Hodder & Stoughton, £8.95)

"The wanton breeze", wrote the author of *Berry and Co* in 1920, caught in the maze of tufted pinnacles, filtered his chastened way, a pensive organism, turned to draw grace from the air of sanctity. The fresh familiar scent hung for a moment, the breeze, breathing high ritual and redolent of pious mystery. No circumstance of worship was intended. With one consent birds, beasts and insects made not a sound. The precious pool of silence lay like a phantom cloud, untroubled. Nature was on her knees. The car fled on.

There is something very game about the prose-poems of Cecil William Mercer, alias Dorinda Yates (1885-1960). They were inserted regularly inside the racy and exciting comic stories he wrote for the *Windsor* magazine, and were composed, his first biographer now tells us, with little care and low for the language of William Shakespeare. It is true that every syllable takes its place within the whole, but it is undeniable that the fresh familiar scent of 1920 (characteristically undefined by Yates, who preferred the frisson to the specific) smells distinctly well-hung today. Landscape, religion and sex are inspirationally locked in fond embrace.

A. J. Smithers, military biographer and historian, Yates-addict and collector for many years, seems to think that this kind of thing has not dated, and that only the presence of words like "Nazis" ties Yates's writing to the years before and after the wars. But absolutely everything about it does so, and to maintain otherwise is to remove much of the historic charm through which he might possibly attract new readers today.

He was perhaps the first popular poet of the motor car, certainly of the motor car, in joyous flight down deserted roads, and in the heroic adolescence of the telephone, he was master of

those most beloved of running gags, the wrong number and the crossed line. He writes about stockings, pyjamas and chocolates in a manner both erotic and merely flirtatious, but always entirely English and of its time. To distract post-war readers from the evident misery of England's moral decline, he rarely uses modern words where an old one would clang more suggestively and he drew upon archaic language much as the spec builders of the day turned the craftsmanship of artichoke between Morris and Lutens into the mass-produced Tudorbethan allusions of Metro-land.

Much of the fancy prose, Smithers points out, comes from the patterned speech of the Bar, to which Mercer apprenticed himself between taking a Third in Jurisprudence at Oxford and volunteering in 1914. One reason he got only a Third was that he had been President of OUDS: "Not many people were likely to outshine him," Smithers comments, "largely because few were interested enough to want to try." A moment of biographer's desperation, there, suggesting that Mercer was dull. He was not, but not even a biography as sympathetic as this could disguise that he was an absolute pain.

Born into a family scandal of suicide followed by conviction for fraud, he grew up pitifully obsessed with bitterness, disappointment and fear of failure. Anti-semitic, he also disliked Germans and Americans, and detested the Nazis, though designing to live at Pau for thirty years because of the rheumatism that had invaded him out of the war (another humiliation). He did not much care for the English, come to that, save the well-bred, witty and brave, and he was not much sustained through more than thirty books from *The Brother of Daphne* (1914) to *Berry and I Look Back* in 1958.

For Mercer was a snob, prey to the false values



attendant on insecurity and ambition; he beat defenceless young servants and shouted at bank clerks. He married a dancer from *Chu Chin Chow* — Oscar Asche was one of his few friends — neglected her for his work, and was surprised when she attracted reptilian locals; they divorced in 1932. When not conversing with his second wife Elizabeth, whom he adored, he talked to an antique picture-clock, leaving precise instructions for his dismemberment in the will that also cut out his only child, Richard, another disappointment. To write of Bill Mercer/Dorinda Yates at all in detail is difficult. Both wives are dead; Mercer conceals much of his own identity in that of his heroes; there seem to be few letters surviving; papers and publishers records were lost in the war. Smithers describes each book with care, but biographically there is such a shortage of first-hand material that he digresses,

## The eyes of Russia

The KGB  
By Harry Rositke  
(Sidgwick & Jackson, £8.95)

At the height of the Blunt Affair a few years ago a senior member of the British intelligence community was asked to compare the abilities of various espionage organizations. High on his list were Mossad, the Israeli espionage group, MI6, not unreasonably, and the KGB. "The other side are very good, you know. Very good," he said.

And well they might be. No other intelligence organization holds such a fundamental, central place in its country's sense of self and structure. Perhaps only the CIA can lay claim to the same resources.

Harry Rositke's study is the latest in a long line of books attempting to reveal the nature of the beast which controls the Soviet Union's internal security, while launching such master spies as Richard Sorge, Philby, and Leopold Trepper. Gorge infiltrated the top strata of pre-war Japan, forecasting the attack on Russia. Trepper also warned of the invasion and the thrust against Leningrad while the damage done by Philby within MI6 has yet to be fully revealed. There are many others besides: the Atom Spies who changed the balance of the Cold War, their successors who have reached into the secrets of the NATO, the West German government.

Often these were professional spies, trained by Moscow and owing allegiance to the Communist cause but Mr Rositke, a former CIA man, also chronicles the KGB's efforts to subvert others by blackmail or even out during the Anti-Vietnam demonstrations in London during the 1960s looking for expatriate American students who might later be compromised.

It must be years before the pictures would be of value but Mr Rositke shows the KGB as an organization capable of infinite patience and careful research.

Given the current fascination with spies it is clearly no accident that Mr Rositke's work should appear now but there are no fresh revelations, no subtle hints of retired gentlemen apparently living a life of innocence. In many ways the book is a recapitulation.

Its value is to provide a gloss on the events of recent years. If the picture it paints is grey rather than highly coloured that is because it reflects the true colour of the world of espionage.

Stewart Tendler

## The movement Down Under

The Long Farewell  
Settlers under Sail  
By Don Charlwood  
(Allen Lane, £10)

Mass migration from the British Isles to the Antipodes in the nineteenth century has been overshadowed by the trans-Atlantic traffic of the same period, but now Don Charlwood has tracked the movement Down Under almost as well as Terry Coleman handled his own theme in *Passage to America* some years ago. He can be forgiven for spending less time on the origins of migration and preparation for their move than on the hazards of the voyage to Australia. This was, after all, the most spectacular aspect of the entire phenomenon. It could take up to six months by sailing ship, though in 1854 the clipper *Lightning* lived up to her name by making Melbourne from the Mersey in 63 days.

By 1881, when the great period of emigration was coming to an end, almost a million people had shipped out of Europe for Australia and New Zealand, and all but a handful had left this country. If we want a type he was young John Smith, who had spent more than three years working in Lochaber for Sandy Grant in exchange

## From ally to cold-war enemy

Britain and the Cold War  
By Victor Rothwell  
(Cape, £16)

This is a great slag-heap of a book, mined from the vast deposits of Foreign Office papers at Kew. Victor Rothwell writes with a shovel and piles up the products of his excavations into the sort of ungainly mass which is apparently regarded as the best evidence of scholarship these days. Yet surprisingly enough there are nuggets of pure gold and large, shiny gems to be found amid the detritus. The academic will derive profit from burrowing for them. The general reader may get pleasure from sliding down the edge of Mr Rothwell's agglomeration, picking them up as he goes.

Here are a few specimens. When the Nazis broke into the Russian missions in Berlin and Paris in 1941 they found sound-proof torture chambers and miniature emporia for disposing of the bodies of their victims. (Do they still exist in London?) In 1943 Winston Churchill said that he favoured segregation of large numbers of Germans from their wives after the war in order to

reduce the birth-rate. When Molotov visited Chequers he slept with a pistol under his pillow and had his bed so made that he could leap out of it at speed if necessary. The Labour Foreign Secretary Ernest Bevin was so obsessed by security that he considered Britain could learn something about press censorship from the Soviet Union.

Such items are, of course, incidental to Mr Rothwell's main theme, which is to show how Britain and Russia turned from being hot-war allies into cold-war enemies. The basic reason is not far to seek. Having disposed of the Nazi dictator, the British and the Americans quickly found that they were confronting a Communist one every bit as ruthless and much more powerful. Stalin's brutal activities in eastern Europe, combined with West Germany's willingness to embrace democracy, precipitated the diplomatic revolution.

But much more interesting than the minutiae of interminable negotiations about such matters as the Soviet demand for a 10-year trusteeship over Tripolitania is the insight which this book affords into the mind of the Foreign Office. And what a mind it was. Mr Rothwell

endured disease, regular saturation, moulty fad and intermittent panic; the prospect of death by poisoning or fire. Anyone feeding surgery faced it on bays or morphine, with several strong arms holding him down under the doctor's knife. I'm not at all surprised that such folk produced, in time, their Dennis Lilliput, or that those years saw the composition of that mournful hymn "For those in pain on the sea".

Mr Charlwood logs all these rigours diligently, though the less said about the typography of his book the better (it appears to have been planned by a committee of make-up men on the *Day Mirror*, which must be Allen Lane turning in his grave). Towards the end is a reminder of a magical thing that aviation has revealed from the world of long-distance travel, a small, but precious compensation for those awful weeks at sea. Still 90 miles from Australia, William Hostett in 1953 opened a scotch one morning and "perceived an aromatic odour, as of spicy flowers, blown from the land.... People could not at first believe it".

Geoffrey Moorhouse

## Rebecca on the last year of Victoria's reign

1900  
By Rebecca West  
(Weidenfeld & Nicolson, £10)

It is not often, especially in reviewing non-fiction, that one discovers a writer so fresh, original and invigorating. It is true that Dame Rebecca West has been employing hers for more than 70 years, but like most people, I suspect, I know her more for her reputation than for her actual writing; and not having read *Black Lamb and Grey Falcon* for a couple of decades myself, I came to her latest book, 1900, as to the work of a dazzlingly precocious newcomer.

People have been writing books about particular years

of history at least since Philip Guedalla, but Dame Rebecca is perhaps the first who, choosing a year getting on for a century before the date of publication, can write of it from personal experience. It is true that she was only six at the turn of the century, but still she can recall at least the impressions and rumours of the time: the death of Gladstone, Mafeking, the Dreyfus Affair, the presence in the world of Delany and Ravel, Renoir, and Toulouse-Lautrec, Henry James, Proust and Maxim Gorky, and all the events, crazes, discoveries and disillusionments that were gestating, occurring or past their prime in the last year of Queen Victoria's reign.

Of course she fills in the facts from hindsight, and enlarges upon them from the immense stock of miscellaneous learning she has amassed since then, but still in many ways this is the view of an English child growing up in Richmond in that portentous year. It is Anglocentric, tinged always with compassion, shot through with merriment, slightly bitter sometimes, especially about men, and in some respects vividly simplistic: America looks wholly innocent, though these

young eyes of *fin-de-siècle*, France looks unattractively worldly, England astonishingly full-blown, while in Africa, Asia and Australasia nothing much seems to be happening at all, unless you count the Boer War or the Boer Rising.

So startling is the clarity of these perceptions that it comes almost as a relief to find the text not altogether infallible. They were not soldiers, not Boers, slumped in the trench on Spion Kop. *The White Man's Burden* was not published in 1899, nor 1900. The Afrikaners did not rise as one man to join the Great Trek, thousands did not rise at all, and Joseph Chamberlain was distinctly not "Secretary to the Colonies".

The book is full of gossipy quirkiness, too, but then they are almost always a joy. How delightful to suppose that Edward VII and Alice Keppel enjoyed each other's company because they were both really like to have been civil servants! How fascinating to learn that the Tsar's anti-semitism was born when a mad Japanese waiter banged him on the head with a tin tray, and that the German physicist Max Born was Olivia Newton-John's

grandfather! Dame Rebecca's allusive technique, her combination of scholarly criticism and often old-fashioned slang ("barny", "super-nasties"), gives the whole thing a most piquant and idiosyncratic appeal.

Though it is presented album-style it is far more than just frothy entertainment. Dame Rebecca's choices of emphasis are certainly arbitrary, but they are never fooling: she is conscious always of the future that was to lurch out of the year 1900, and everything she writes about, Colette to Milner, Gibson Girls to anarchists, is given unity by this underlying preoccupation, and by her own spiky and anachronistic integrity.

For if this book is like a new taste for the unprepared reviewer, it is like the revival of an old one too — like rediscovering some elderly Rolls-Royce perhaps, whose steering may be a little erratic by today's standards, whose suspension is odd, whose black bonnet out in front, with its silver lady riding high, makes you feel you were a perfect fool ever to trade it in.

Jan Morris

## Jane's Kentish connexions

Jane Austen in Kent  
By David Waldren  
Smithers  
(Hurtwood, £7.95)

Jane is the model of a female friend: clever and fun, witty and ironic, and full of sharp, but gentle curiosity about the world and particularly its inhabitants. We know her mainly from her books. She has no journal, no diary, no style by which to judge her, no skits, and fiction from the age of 11. But she understood the value of a journal. Remember Henry Tilney telling Catherine Morland: "I am not so ignorant of young people as you think me. I believe me; it is this delightful habit of journalising which largely contributes to form the easy style of writing for which

## Paperbacks

A Note in Music, by Rosamond Lehmann  
(Virago, £3.25)

It is much easier to evoke sympathy for the passions and tumults of young love than for the lower-key emotions of disillusioned middle-age. But Rosamond Lehmann manages this in *A Note in Music*. Her heroine, both past her prime, lead a dreary North Country provincial town. Each is all but estranged from her husband for ten years, and seems almost to have lost the satisfaction in her life.

Grace Fairfax placidly accepts her rather pompous, predictable husband, and her hideously-furnished house which spathy has prevented her from altering ever since they moved in. The stodgy food served up daily and her monotonous routine highlighted by wintry walks

## Fiction

Flanagan's Run  
By Tom McNab  
(Hodder & Stoughton, £7.95)

The race is as attractively simple a plot form as the whodunnit or the romance, but despite one or two outstanding examples such as *Round the World in Eighty Days* it has never developed into what is popularly called a "genre". Difficult to sustain the suspense. One race much like another. And so on.

Tom McNab, a former athlete and Olympic coach, was script consultant on *Chariots of Fire*, an outstandingly successful cinematic adaptation of the race form. Now in this first novel he has found even better raw material for a robust, uncomplicated old-fashioned yarn guaranteed to appeal to the boy's own in everyone.

During there was evidently a mad marathon known at the time as "The Great Bunion Derby". It began in Los Angeles and ended in New York. McNab has recreated this event, focusing on a small group of heroic athletes. There is the veteran "Doc" Cole, a former marathon runner and fairground huckster; an English Lord

## Confessions of a Homing Pigeon

By Nicholas Meyer  
(Hodder & Stoughton, £7.95)

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# THE BARBICAN OPENS: John Russell Taylor views the first exhibition

## Human survivors

Aftermath: France 1945-54

### Art Gallery

A comparison between last year's Barbican exhibition *Paris-Paris* and its offshoot *Aftermath*, the opening exhibition at the brand-new Barbican Centre gallery (until June 13) is very illuminating of what is going on in Paris, and what goes on, or is going to go, in London. For, as the first announced intention was to bring over the Paris show, what finally emerges is a new and very different show, with a handful of pieces in common. The Paris show, though allegedly covering the period 1937-57, was mainly concerned with the postwar decade, and in that with the central role of Paris and its progression towards its last moment of glory, the abstract art of De Stael, Braque, Manessier and others, before the crowning of world leadership in art was snatched by New York. Now all those abstract artists, though still named in France (and gradually emerging from the shadowy side of fashion everywhere else), would mean little in Britain today, so not to mention the famous British show, what finally emerges is a new and very different show, with a handful of pieces in common. The Paris show, though allegedly covering the period 1937-57, was mainly concerned with the postwar decade, and in that with the central role of Paris and its progression towards its last moment of glory, the abstract art of De Stael, Braque, Manessier and others, before the crowning of world leadership in art was snatched by New York. Now all those abstract artists, though still named in France (and gradually emerging from the shadowy side of fashion everywhere else), would mean little in Britain today, so not to mention the famous British show, what finally emerges is a new and very different show, with a handful of pieces in common.

Hence De Stael is represented by just one painting, a semi-abstract

called *La Vie dure* (which one suspects is there more for its title than anything else). Other abstract artists are quite absent, or dragged in somehow through connections with surrealism or some real or fancied use of the abstract as a sort of psychodrama in which human anguish, agony and horror (nothing there) are represented by abstract forms because too painful to approach directly through representations. The argument is, well, arguable, but it does not prevent the show itself from being thoroughly exciting and thought-provoking. We are taken carefully through from the generally unregarded French realists of the Thirties, people like André Fagnon and Francis Gruber, and shown what they were doing after the war. We are reminded that several great masters who never deserted representation completely — Picasso, Matisse, Braque, Léger, even Bonnard — were still active. And so to the real centre of this show: the Art Brut movement, with its deliberate harking back to primitive art, child art and psychotic art, an attempt to find and define "new images of Man".

Dubuffet naturally figures prominently here, and it must be said that, represented by a few of his works (that may be the key, for in large numbers they become very monotonous), cunningly placed in context like this, he has seldom looked better. Some strange anticipations are also turned up — an earth-relief painting by Zoltan Kemeny from as early as 1947, some astonishing paintings done by Stuart Gilbert in Dublin in the early Forties, which seem to relate to nothing anywhere around. And the



Léger's "Les Loisirs": a master still then active

sense of a group of disparate artists all for the moment going the same way is strongly created. The exhibition certainly does not show, or even claim to show, the one central way of approaching art in the postwar decade, in Paris or anywhere else. Rather, it proposes a group of surprisingly accessible artists and attitudes to us for our consideration and, with any luck, enjoyment. The exercise is persuasive: the unfamiliar are related tellingly to the familiar — as usual, Picasso is the intuitive figure in whom clues to everything else can somehow be found — and great isolated figures like Balthus can at

last be seen to have a context (he is not least in the work of his writer-brother Pierre Klossowski). Mathieu's calligraphic action-painting is included with a couple of his more bearable early works, and even, at the other end of the spectrum, the dread Bernard Buffet, though mercifully not with emaciated blue clowns. The gallery itself turns out, despite what must have been feared from published plans and projections, a rather pleasant manageable space on two floors. This, it appears, is largely by dint of covering almost entirely the architects' original concept.

## Theatre

### Venom on the institution

#### Another Country

##### Queen's

Do not be misled by Julian Mitchell's title, as this brilliantly written study of English public school life in the 1930s relates directly to the old moles who are still coming up out of the English soil. *Another Country* is about the self-governing hierarchy from prefects to fags which famously marks its survivors for life. It has much in common with the Army system of training and discipline, but Mr Mitchell concentrates with single-minded venom on the closed institution of his choice, leaving it to the spectator to make the connexion with other British authoritarian structures. With the exception of a Walter Pater-quoting uncle (illustrating what the system has done to the previous generation), the cast consists entirely of the boys. They represent every shade of response from total militaristic acceptance of the rules to structured political defiance. Plenty of room, you might think, for any kind of boy to make his own terms with the system, were it not for the fact that the first event in the play is the suicide of a boy due to be expelled for homosexuality. This calamity is quite enough to generate a plot

whose main business is to explore the frustrations, desires and hatreds of a miscellaneous collection of people who are receiving their basic training in the art of personal concealment. The instant effect of the death is to provoke a purge in the house in which the Head Prefect (a gentlemanly liberal) cracks, leaving the way open for the appalling Fowler (played by Michael Parkhouse as a baby-faced Mussolini) to succeed him: a move that is finally frustrated also at the expense of the two characters you most want to assume control. These are Bennett and Judd, who embody the two dominant forms of rebellion against the public school ethic. Bennett is a serious and unashamed homosexual, at first seen training binoculars on his beloved through the library window. Judd is an inflammable Marxist, driven mad by incessant interruptions that prevent him from getting on with his chosen line of research. Very cunningly, Mr Mitchell introduces both of them as mere boys. Bennett, hair flapping over his eyes as he moons over his unreadable paper, seems merely to be going through a phase. Judd, shooting off about self-perpetuating oligarchies and playing the barrack-room lawyer to the officials, seems to be in the grip of adolescent bigotry. As the play develops and the spectator becomes a

temporary captive in its little world, so the characters become increasingly formidable. Judd may be a Stalinist, but you cannot fault his arguments against the school, or his incorruptible resistance to joining the officer class. Bennett occupies an even stronger position. To be a Communist in a fee-paying school for the rich is a joke in that setting; and when Bennett is sentenced to a thrashing for sabotaging a Cadet Force parade (by a court of prefects ludicrously strutting round in OTC uniform), he escapes by insolently threatening to reveal a full list of his sex partners. In the end, there is no doubt that the production as a whole is an extraordinary triumph of juvenile casting. Bernard Cusshaw's revolting sets reveal the cramped, seedy quarters within the baronial facade.

Irving Wardle

### Interview: Roy Hudd

## The image of Bud Flanagan

Roy Hudd's conversation is a riot of jokes, references to jokes and evangelistic fervour about the comedy tradition. He thrusts his face into yours, the better to convince you of the fabulous riches of music hall and of course to try out the occasional new gag. He has millions of gags, but his favourites are all timeless yet topical, anarchic yet relying on a common cultural fund. They tend to prove his credo — that comedy never changes, that there is nothing new behind the footlights and that never will be — Monty Python and the Goons are the descendants of Dan Leno and Grimaldi, while Hudd himself inherits the mavericks of Max Miller and Bud Flanagan. So it is only appropriate that from tonight he plays the latter at the Prince of Wales in *Underneath the Arches*, a biography of the team of Flanagan and Chesney Allen. The show was evolved for the Chichester Festival by Patrick Garland and Brian Glavin, though it was Hudd himself who came up with the idea of using the original sketches to bear the narrative. And, mysteriously, it was Flanagan who first cast Hudd.

"I really have no idea why I only met him casually two or three times. Really I knew his music better — but don't tell Bud — and I was talking to her some time after he had died and she told me he had hoped one day I would play him." Perhaps Flanagan had detected within Hudd the obsessive fascination with variety and music hall which had been imprinted by early childhood trips to the theatre with his grandmother. "My earliest memories are of a man in a great big floral

suit — Max Miller — then a man in a fur coat and a boater — that was Bud — and then a panto at Croydon where the backcloth showed the road leading up to the castle. I could never understand why characters leaving the stage to go to the castle didn't actually go up that road." Those images have inspired Hudd to become an expert on variety and music hall. The names, the gags and the songs pepper his conversation on almost any subject. But it is not scholarship; it is merely a celebratory identification with the way his general soulmates "survived in the business." "People are always getting deep about comedy. But it's simple for me. If it gets a laugh it's in, if it doesn't it's out, however funny I think it is."

In the case of Flanagan the trick which lifted mere survival to real success was the rapid change of mood. In a sentence the audience's required response was switched from belly laugh to sentimental tear. It represents a peculiarly English combination of dissolute bawdy and maudlin camaraderie. Hudd identifies this talent as the prime characteristic which set Flanagan apart in his days with Crazy Gang. "He was always the master of the reveals."

If that quality, combined with Christopher Timothy's Chesney Allen, succeeds as it did at Chichester, Hudd would like to be able to look forward to a run of about a year at the Prince of Wales, his optimum time for keeping an intercom in the part. He reckons the 18 months for which he played Fagin in *Oliver* was just about six months too long. But live theatre is essential to him. "I hate television. The great thing is a live audience. In television the only kick-back is the money. In theatre it's the audience. The magic might all be over in one night, but life's like that."

Now Hudd looks set to become a kind of mandarin of comedy, a fast-talking, label-grabbing practical historian of its modes and vocabulary. He takes deep satisfaction from its changeless quality, as if that in itself were a joke at the expense of the idea that every gag has to be new to get a laugh. "The standard jokes come back again and again. I knew a writer who heard that Liberace was retiring. He rang me up in despair and asked what he should do with his tea-chest full of Liberace jokes. A while later he rang again and said it was all okay — he could use them all about Larry Grayson."



Hudd as Flanagan

Bryan Appleyard

### Concerts

## Symphony living in the past

### RLPO/Janowski

#### Philharmonic Hall, Liverpool

Gone are the days when a conductor spent two years gradually bringing it to supreme virtuosity (much more than precision and agility) and teaching it to play the established repertoire in a completely idiosyncratic way, not to be heard elsewhere, because he conducted nowhere else, nor did they play for another conductor. Karajan and the Berlin Philharmonic approach more closely than others to this old ideal; elsewhere the "house style" is out of favour, and orchestras are lucky if their many concert conductors are half as illuminating in rehearsal and concert as the peripatetic titular chief.

On Tuesday the Royal

Liverpool Philharmonic Orchestra announced the appointment of Marek Janowski as their principal conductor and artistic adviser from September 1983, in succession to David Atherton who only assumed that role two years ago. It is not long enough for Atherton to make his presence beneficially felt, nor will Janowski spend enough time to impose his musical style on the RLPO — conductors nowadays are encouraged to travel the world.

The RLPO is lucky to get Janowski, he did good work at Dortmund, bringing an impressive *Lulu* to Leeds, and he has made some fine records, including the start of a highly promising Ring. In Liverpool on Tuesday he conducted the British premiere of Erich Korngold's Symphony in F sharp major, a lush piece of orchestral confectionery composed 32 years ago in America (where

Korngold was busy writing film music). The symphony is a well-made piece as can be expected (Kempere recorded it a decade ago), well varied in mood and texture, elegant in long, smooth melodies, which begin momentarily, then gradually trail away into something less memorable. Korngold was a child-prodigy composer in Vienna during the First World War, when his operas attracted lively attention, more for good tunes than for credible drama. I was glad to hear this valid performance under Janowski, but would much rather hear him and the RLPO in some music more closely related to present-day tastes. Korngold's symphony describes 1950 in terms of 1910. Poor boy, he never grew up.

William Mann

gave an impression of wholehearted, steady evolution not found in all accounts of this kind. All the same, I found the triangle as irritating as ever in the finale. The orchestra was joined by the London Philharmonic Choir for the Requiem, and the soloists were Isabel Chisholm and Thomas Allen. Oodles of this is not the sort of one that one tends to associate with Sir Georg, although he has recorded it twice. The performance, however, was nearly as immaculate as that of the Variations, the sombre choral and orchestral colours of the opening movement, "Blessed are they that mourn", being most sensitively judged. Notwithstanding its march-like character, the loud

### Television

## Sense of occasion

I dropped in on Nancy Astor (BBC 2) for the first time last night in order to find out if serials in nine parts make any sense when you have missed the first three: the quick answer of course is that they make neither more nor less sense but pretty much the same. Our heroine is already married, betrayed, divorced, the pert mama of two substantial children, gloomily keeping house for Daddy in Virginia. What you need, said Daddy, is to leave the land of *Rainbow Country* and *Gone with the Wind* and go to England, home of *Lillie* and *Jennie, The Duchess of Duke Street* and the nice but naughty king.

He did not put it quite like that, of course, but that is where Nancy and her sister Phyl fetched up, and those of us who had been lagging up to this point felt immediately at home for it is a country that even those who claim never to watch television at all know well. Clipped remarks emerge from under motionless hats. Couples whirl round the floor at soirées; eyes roll and tongues click among those whose cards are not filled, who must watch from the edge. Margot Asquith swoops from

Michael Ratcliffe

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"LE GRAND MEAULNES"  
"As beautiful and haunting as the novel itself"  
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## Henry Kissinger on how the West failed to meet the oil challenge

The energy crisis which began dramatically in 1973 altered irrevocably the world as it had grown up in the post-war period. The seemingly inexorable rise in prosperity was abruptly reversed. Simultaneously, inflation ran like a forest fire through the industrialized countries and recession left millions unemployed.

Transcending even the economic revolution was the emergence of oil as a weapon of political blackmail. The industrial democracies saw imposed on them not only an economic upheaval but fundamental changes in their social cohesion and political life.

As the new decade began, world conditions of supply and demand shifted inexorably against the consumers. The dimensions of the change were not immediately apparent. The illusion persisted that one was watching commercial bargaining and not a revolutionary upheaval.

The proximate cause was the overthrow in September 1969 of the pro-Western King Idris of Libya by the radical Colonel Muammar Gaddafi. (It must be stressed that the price explosion was not a personal decision; one way or another market conditions would have produced a price explosion, though perhaps over a longer period of time). Until then the dominant role among the oil-producing countries was played by essentially conservative governments whose interest in increasing their oil revenues was balanced by their dependence on the industrial democracies for protection against external (and perhaps even internal) threats.

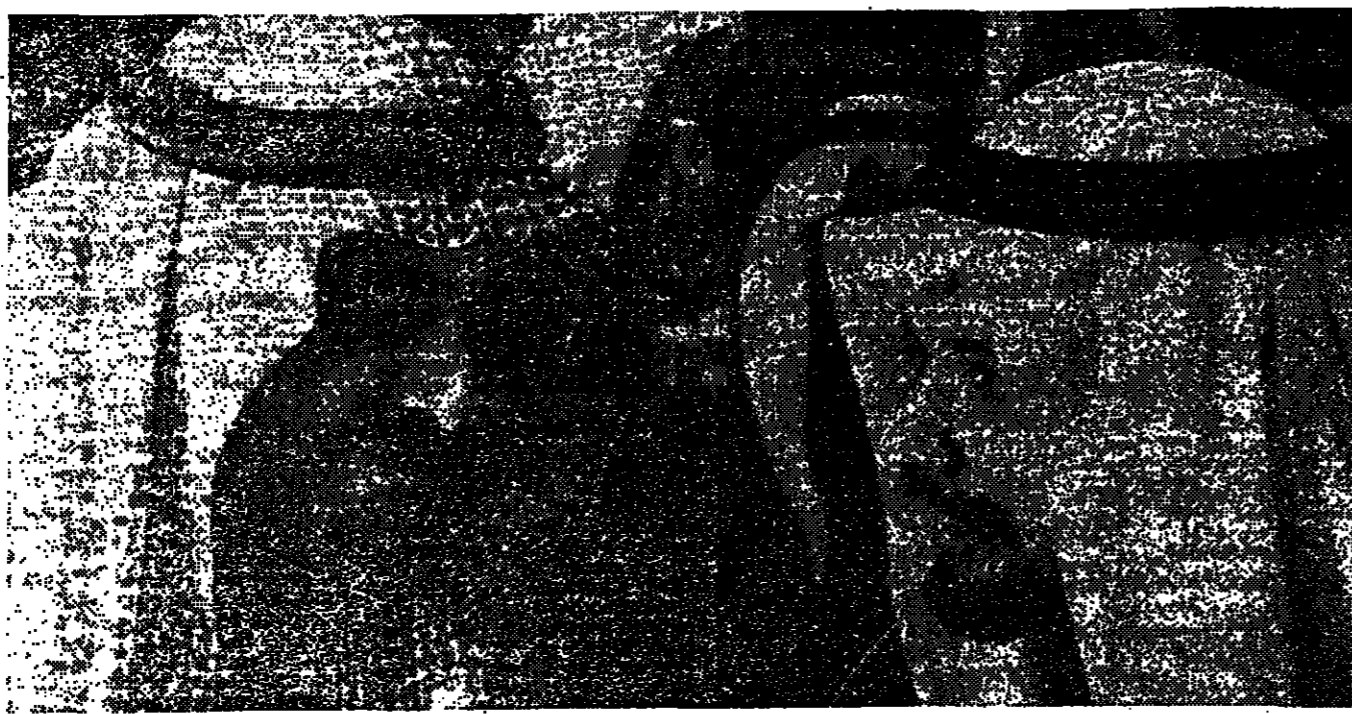
Gaddafi was free of such inhibitions. An avowed radical, he set out to extirpate Western influence. He did not care if in the process he weakened the global economy.

The working level of the United States Government, especially in the State Department, operated on the romantic view that Third World radicalism was a frustrated Western liberalism. Third World leaders, they believed, had become extremist because the West had backed conservative regimes, because we did not understand their reformist aspirations, because their societies were backward and eager for change — for every reason, in fact, other than the most likely: ideological commitment to the implacable anti-Western doctrines they were espousing.

I did not, in Nixon's first term, take an initiating role in Middle Eastern policy. There were desultory discussions in the Washington Special Actions Group (WSAG) on what attitude to take toward the new Libyan regime. In a meeting of November 24, 1969, I raised the question whether to have the 40 Committee [the inter-agency committee supervising covert intelligence activities] canvass the possibility of covert action. A study was prepared of economic and political pressure points on Libya; but the agencies did not have their heart in it. All options involving action were rejected. According to the bureaucratic consensus, our only choice was to try to get along with Gaddafi.

Whereas America was deciding on passivity, Western Europe chose actively to curry favour with Libya's radical ruler. As is often the case, decisions

The Sunday Times serialization from the Kissinger memoirs continues this weekend with When God Called Chairman Mao.



Happiness is a country flowing with oil: Prince Fahd and Shaikh Yamani of Saudi Arabia in close conversation at an Opec meeting in Algiers in 1975

## Oil: the blackmail weapon that changed the world

that seemed prudent and restrained when they were made have come to appear reckless to posterity. In the cause of short-term economic prudence the West accepted Gaddafi's revolution — and this, as it turned out, was bound to affect also the West's political relations with the conservative oil producers.

Libya taught these rulers a fearful lesson: the industrial democracies would not protect friendly governments so long as their radical, avowedly hostile successors did not challenge the democracies' access to oil. Hence, there was no point in seeking to buy Western goodwill by restraint on oil prices or anything else. For a year or two, the occasion to apply this insight did not arise. But as market conditions changed, it subtly affected the attitudes of even the moderate governments.

Thus did the political balance also shift, just as market conditions were transforming the economic equilibrium. Radical Libya then triggered a process by which the host governments gradually discovered, and began to exercise, their dominant power over the world oil market.

There were three discernible stages in the revolution about to unfold: first, a creeping increase in prices; then the host governments' gradual, *de facto* takeover of ownership and operational control from the oil companies; and finally the resulting ability of the producer governments to link the sale of oil to political conditions, especially the Arab-Israeli conflict.

At the beginning of 1970, Libya demanded larger oil revenues from the companies operating on its soil. Libya picked on the most vulnerable link in the chain, the independent company Occidental Petroleum, and imposed production cutbacks on it more severe than those on its competitors. It was the first time a producing country had implemented what amounted to an embargo.

The majors in turn demonstrated their shortsightedness by letting an inconvenient competitor twist slowly, slowly in the wind, to use a phrase of a

later era, rejecting any measures of support to compensate Occidental for the costs of the cutback. Isolated and vulnerable, Occidental yielded to Libyan blackmail on September 4, 1970, agreeing to an immediate increase of 30 cents a barrel, rising to 40 cents over five years. The other companies soon followed suit.

At this stage, the economic impact of these settlements was less significant than the political implications. Hereafter the oil companies, bargaining as a unit, had imposed a unified price. Now the united front of the companies had been split, shattering one of the buffers between the producing and consuming countries. This set up a

with a vengeance, forging an efficient cartel willing to reduce its production contrary to the historical practice of almost all its members.

At last the United States Government began to take an interest. It was urged on by the oil companies, which followed their time-honoured pattern of asking for assistance only at the last moment, and then only ad hoc, not for a long-term strategy which they feared would lead to government control. They asked for, and received, dispensation from the Department of Justice so that a united front of the companies would not be treated as a violation of anti-trust laws. At the urgent request of the companies, Under Secretary of State John M. Irwin II was dispatched to the Middle East on January 16, 1971, to urge moderation on the oil-producing nations.

Irwin proudly reported to the President on January 25 that in the three countries he had visited (Iran, Saudi Arabia, and Kuwait), he had stressed that we would follow our tradition of not becoming involved in the details of commercial negotiations — neatly removing the one fear that might have moderated producer demands: the threat of United States governmental intervention. If confrontation was to be avoided and if our government would not involve itself in the details, the preordained outcome was that the companies must yield.

Our hands-off policy ordained the result: the companies yielded. They accepted "separate" but "concurrent" negotiations, an elegant phrase for falling in with the leapfrog tactics of the producers. The upshot was the Tehran agreement of February 14, 1971, which amounted to an increase of around 40 cents a barrel for the Persian Gulf; and the Tripoli agreement of April 2, which not unexpectedly led to an even larger price rise for Libya.

Both producing groups agreed to maintain this level for five years — a solemn promise that must hold a world record in the scale and speed of its violation.

Oil: the blackmail weapon that changed the world

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we were being told that some of our allies were asking for preferential treatment from the Arabs for having disavowed our Middle East policy. We could never confirm all these allegations but they were too numerous not to have a foundation. It was not one of the finer moments of allied relations.

The Opec ministers in Tehran on December 22-23 boosted the oil price from \$5.12 a barrel to \$11.65 a barrel — an increase of 128 per cent, on top of the 70 per cent October increase.

It is now obvious that this decision was one of the pivotal events in the history of this century. Even now, the domestic political implications are still working themselves out. What happens when young men and women leave school and college to find their skills rejected and join the millions thrown out of work since the oil crisis? The way is open for demagoguery, political polarization, and violence.

As for the developing nations, if it was ever true that economic aid was necessary to prevent the division of our planet into the few who were rich and the many who were poor, if the maintenance of peace required us to try to close the gap, then the oil price rise worked marvelously to defeat these objectives. One's compassion is perhaps tempered with impatience at the quiescence with which they accepted the exactions of the oil producers and rallied instead against their fellow victims in the West. This reflects either helplessness or decrepit ideology.

Never before in history has a group of such relatively weak nations been able to impose with so little cost such a dramatic change in the way of life of the overwhelming majority of the rest of mankind. The poetic justice, if such it is, is that this "achievement" threatens their own stability, a perception that may be gradually dawning. Few political structures can sustain the accelerated rate of growth made possible by such an enormous transfer of wealth. Dislocations are bound to occur.

The upheaval in Iran in the late 1970s was at once a caricature and a warning. The overheated economic development made possible by the price increases provoked an elemental reaction that rejected the very materialistic values that gave rise to the rapid growth; the end result was, ironically, the systematic impoverishment of the country. Nor is internal convulsion the only threat to producing nations. The economic enfeeblement of the industrial democracies may yet cause much of the oil states' material acquisitions to evaporate like a mirage.

For a financial crisis in the West would destroy also the producers' investments in those countries. Or if the West proves economically unable to sustain the role of military protector in the Persian Gulf — or loses its incentive to do so on behalf of nations systematically undermining the world economy — then many of the oil producers may become easy pickings for foreign predators.

Thus the producers' dilemma approaches a joke played by history on those who would seek to force its pace. If they spend their exactions too rapidly, they risk domestic upheaval; if they hoard them, they court a weakening of the international economic system and a point where they too become victims.

By December 1973, © Henry A. Kissinger, 1982

Ronald Butt

## Listen to the candid friends

What is most striking about a collection of papers assessing the Government's economic performance, just published by the Institute of Economic Affairs under the general title "Could do better" is who support the Government's general position are incomparably more convincing than those who oppose it.

For the opponents, Professor Richard Layard of the London School of Economics and an economic adviser to the SDP, is convinced that the cardinal error has been the Government's insistence on fighting inflation without an incomes policy, which has resulted in unemployment rising much more than it otherwise would have done. Yet he is forced to recognize that a conventional incomes policy is politically impracticable and also economically distorting (SDP leaders please note) and he therefore advocates a wage inflation tax levied on employers who give wage increases above a norm. He would exclude central and local government but include nationalized industries — which raises the weird vision of the Chancellor of the Exchequer for (say) giving way to Aslef or Sir Derek Ezra for yielding to the miners.

Still, it is at least a suggestion. Professor Maurice Fetherstonhaugh, a past adviser to Labour ministers, argues that the Government's cardinal error has been to ignore the role of money wages in determining the operation of the economy. But he is content to observe (with Mrs Thatcher) that productivity is at the heart of our difficulties and leave us with the thought that the issues are really political and not economic at all, taking sides with the non-consensus policies of both Labour extremists and the present government.

Which brings me to the £9,000m boost for the economy proposed by Mr Peter Shore in his alternative Budget before I discuss the more constructive criticisms of the Government's economic supporters. To create jobs, Mr Shore advocates public capital spending; cutting the National Insurance surcharge and other taxes; lowering interest rates and a cheap pound. However, the inflationary consequences of such a package can hardly be ignored even by a Labour shadow Chancellor not yet constrained by economic reality.

Mr Shore's answer to inflation seems to be stringent government control at home; protectionism and an attempt to work out a general understanding on wage restraint and cost control with the unions.

He dare not breathe the words "incomes policy" (as he virtually admits) but we all know that this is what he means: back to George Brown and the National Plan, and back to Wilson/Callaghan and the Social Contract.

But this time with a much heavier dependence on protection and a socialist siege economy. All this could be made to work at a price. What we should be clear about is that the greater the expansionist boost provided by a Labour government, the greater would be the necessity for a rigidly controlled society if Weimar-type inflation was to be avoided. Expansion (probably only temporary) would be bought at a price to liberty that no previous Labour government has been willing to pay. That, of course, is Mr Healey's, Mr Shore's and Mr Hattersley's problem (and for all I know, Professor Peston's), though it is plainly no problem for Mr Benn.

So let us return to the critics among the Government's supporters. The most enthusiastic contributor to the Institute of Economic Affairs symposium is Professor Richard Stapleton of the Manchester Business School. He believes that the Government, in macro-economic terms, is on the way to an "after-type" economic miracle. Yet he is also in doubt that, at the micro-economic level, the Government could do much more than to "get the conditions right for entrepreneurship and growth."

Professor Stapleton believes that the Government could do much more to help growth by further financial guarantees to assist the take-over of new firms; by improving the tax position of new businesses and by insisting that firms contribute to an insurance fund to pay for necessary redundancies.

Above all, he advocates encouraging share ownership as the real alternative to union power. This comes near to the heart of the matter. The Government will only "bear" unreasonable union power by passing it and making Sir Peter Parker for (say) giving way to Aslef or Sir Derek Ezra for yielding to the miners.

The point is clearly grasped by a number of Conservative backbenchers who are wholly on the side of Mrs Thatcher's "dry" macro-economics, but who also believe (more so, curiously, than many "wets") that she should do more to draw on the spirit that moved the National Freight workers and should do so before the election if it is to have the chance of the second term.

Mr Peter Horden, for instance, a senior Tory backbencher specializing in economic and financial matters, is convinced that it would be possible for the Government to bring in a short Bill in this Parliament allowing workers to buy shares in their firms on the same basis that council tenants can buy houses — say at a 30 per cent discount which would depend on the shares being held for a term of years.

He argues that it is morally right as well as expedient to move in this direction; that workers should have a stake in the organization to which they give their working lives; that it is wrong that share prices are so overwhelmingly determined by the operations of financial institutions whose operations often have little relevance to the business realities of a particular company. What is more, a market with more private investors, gradually achieved by worker share-owning, would help prevent some of the more meaningless market fluctuations.

Such arguments from "dry" Tories are much more impressive and constructive criticism of government policy than the demands of "wets" who want only to buy another term of office with blanket expansion, and never mind the inflationary deluge to come. The government would be wise to accept that it has the capacity to do better; listen to the friends of its macro-economic policy, and remember that to be "dry" does not oblige it to be hard or rigid. It needs the workers on its side in an industrial democracy; if it does not get them there in this parliament, the SDP will do its best to win them, on precisely such issues, in the next.

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### Poetry and profanity puzzle Melina Mercouri

Andrew Wilson, associate editor of *The Observer*, has offered Melina Mercouri, the Greek minister of culture, £100 to help finance readings of modern Greek poetry on tape. Mercouri's response, as relayed by the Greek paper *Ta Nea*, has bureaucratic inertia written all over it. "Without having established the proper procedure for this project," she says, "we cannot accept."

It is scarcely encouraging to hear that the new Socialist government, which prides itself on eliminating censorship, is even now withholding permission for the release of a recording from Paris Tacopoulos's *Keni Diathiki*, an explicitly satirical and eccentrically onomatopoeic work imitating the language of the New Testament.

Tacopoulos published the text in 1973, when Greece was ruled by colonels who would best up writers for daring to say that Ancient Greek notables practised homosexuality. A recording of excerpts, vested with quasi-Byzantine music and wailing, had been waiting for government sanction for a month, and Tacopoulos has now been told that unless he can "explain" apparent profanities permission will be withheld.

Wilson, who would just like to hear modern Greek literature with the proper rhythms, points out that even Odysseus Elydis's great poem *Axon Esti*, on the strength of which he won the 1979 Nobel prize might be objected to on similar grounds.

### THE TIMES DIARY



Few solicitors the heroes of comic tips. David Tench, legal officer of the Consumers' Association, makes his debut in the role in the new issue of *Which?* published today. The tip is called *Legal Eagle*, a term originally coined, I am told, by Groucho Marx, and which Tench was known while legal

#### Tower power

Richard Seifert is the name associated with most of the modern office blocks PHS can call to mind when forced to — but when it comes to designing a memorial to the modern movement the tower-raiser in chief is put to shame by a team of unknown youngsters from Leytonstone.

Admittedly they were only building in Lego bricks, but it was no mean achievement for three recent students of Bristol University to beat teams from many of the best-known architectural practices in London. Among the vanquished, along with Seifert, were the Ronald Fielding Partnership, who provided the Royal Prince's Palace in Saudi Arabia, and Yorke Rosenberg Mardall, who have done their bit at Gatwick Airport and the Wellington and St Thomas's Hospital.

The winner in a competition organized by the Building Centre — Trevor Colman, Daryl Murphy and Dinah Aldam — constructed a

modular man holding aloft a symbolic relic. Unsuccessful entries included a toilet adorned with graffiti, a toilet roll holder, and a tombstone.

Interviewed on Radio 4's *World at One* yesterday about the English cricketers' tour of South Africa, Ken Turner, secretary of Nottinghamshire, said: "The question of South Africa has been the nigger in the woodpile."

#### Waugh scoop

Today's issue of *The Times Literary Supplement* reveals the early life of Charles Ryder, long before he visited Brideshead. Ryder by Castiglione, which the TLS prints today, is the forgotten first chapter of a projected novel which Evelyn Waugh intended to call *Charles Ryder's School Days*.

It was rediscovered by chance in the offices of Waugh's literary agents, A. D. Peters & Son, when they were looking for evidence about a contract with Eyre



Methuen, one of the staff found instead a 12,500 word typescript. Waugh's diaries reveal that in 1945 he started writing a novel about school life just after the First World War. No-one knows why it was never finished, or how its introductory chapter, which reads as a self-contained short story, came to be where it was found.

#### House unfurl

I regret, since I enjoyed it to report that the play in which Leo McKern made an overdue return to the West End — Frank D. Gilroy's *The Housekeeper*, directed by Tom Court, at the Apollo — is to close within a month of its opening. McKern is at his irascible best,

and well-supported by Connie Booth, but the piece had mixed reviews. Michael Coveney's unkind notice in the *Financial Times* concluded, "a real lulu". With considerable spirit the management promptly stuck the phrase up as a quote on a billboard at the door.

#### Still no oppo

In 1980, when Sally Oppenheim went to Paris as British Minister for Consumer Affairs, there was no opposite number in the French government to greet her. Now that the Socialist French Minister for Consumer Affairs, Catherine Lalumière, is repaying the visit, Oppenheim, the light of British consumerism in the naughty governmental world, has just extinguished herself by resigning for family reasons. Mrs Thatcher shows no sign of replacing her.

#### Bad figures

The news that the SDP team came 15th of 16 in a computerized competition at running the economy will scarcely surprise. Unformulated policies are bound to cause some vacillation.

The Conservatives did even worse. They came last in a contest at Kingston Polytechnic in which teams from the political parties met schoolboys and college students. The Tories' downfall, as you might guess, was insistence on reducing inflation at all costs. Labour, led by Clive Soley, MP for Hammersmith North, came tenth, but discouragingly for all home economists the winners were sixth formers from the Lycée Français in Kensington.

PHS



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

## MUZZLING IRA GUNS

Since the days of the Fenians the United States of America has been a copious source of moral and material support for the British. At some of the more crucial stages of the Irish struggle, it was the aid of the United States that led up to the 1921 de Valera settlement. The Provisional IRA in its turn has cultivated the America assiduously. It is now the American Government which is being urged to register itself as an agent of the IRA after years of living publicly on its aid. This has been a principal source of funds. Intelligence sources estimate that some 200 fully effective weapons have been acquired by the IRA from the United States since 1970. All this has been done against the active disapproval of the United States authorities, the urgent pleas of successive prime ministers of the Irish Republic, and consistent discouragement by respectable leaders of the Irish community in America.

Although the hunger strike and self-inflicted deaths of republican prisoners in Northern Ireland last summer fired anti-British sentiment in the United States, and although the money riddled into Northern Ireland's collection boxes at the previous rate, the collapse of the hunger strike in the face of the British Government's steady and

clearly justified resolve has created space in which apologists for the discharge of Britain's responsibilities in Northern Ireland can make themselves heard. At the same time the American law enforcement agencies have been having some successes in their watch on IRA gun-running activities, including charges brought by the FBI of a conspiracy to ship weapons to the IRA by four Irish Americans, one of whom was a director of Moura. The case is now coming to court. One can only speculate as to the effect of these successes on the ability of the IRA to maintain its supplies of arms and ammunition from the United States. But the potential can be measured against the facts, or rather the estimates put together from intelligence sources, that half the weapons coming illegally into Northern Ireland in 1980-81 are believed to have passed through the United States, and that the proportion coming into the hands of the Provisional IRA from that source was rather more than half. That is much the most important source of supply. Next are thefts from arsenals, dealers or other persons in the British Isles; then homemade weapons; and only then weapons manufactured in the eastern block.

These set-backs for the IRA have been matched by similar

reverses in both parts of Ireland. The Royal Ulster Constabulary acting on a much improved flow of intelligence, including that from informers, has made a significant number of arrests leading to serious charges. Arms and explosives have also been uncovered on both sides of the border. It would be tempting providence, and contrary to experience, to draw from these encouraging developments any firm conclusion about the IRA's operational capacity in the near future. The attempted murder of the other day of the Lord Chief Justice of Northern Ireland is a chilling reminder that a well-founded terrorist organization can always strike so long as it remains in the field.

How long it remains in the field depends much on the degree of harassment to which it is subjected by the forces of law. It depends even more on the terrorists' will to struggle on, which is in turn governed by their hopes of success. The fact that people are informing more freely against the IRA is one that must damage those hopes. The new Irish government, when it is formed, and Mr Prior with his new initiative, when he is ready, have a duty to be alert in what they do to anything that might cause those hopes to revive.

## WHEN THE KILLING HAS TO STOP

The vote in the House of Representatives in Washington in favour of negotiations between the two sides in El Salvador is an indication of the opposition that is building up to United States policy in the region. Negotiations of this sort are widely seen as a possible way of ending the bloodshed in El Salvador. They were recently given public backing by President Lopez Portillo of Mexico, who offered his country's services as a mediator. But they have so far been refused by the ruling junta in El Salvador as being a capitulation to the guerrillas, and this refusal has been supported by the Reagan administration.

It is natural that the United States should be concerned about signs of communist subversion and do what it can to counter them. All those who believed that an American retreat from Indochina would usher in a new era of independence and happiness for Cambodia and Laos, as well as Vietnam, might remember the terrible sequel. But there is a difference between totalitarian communist-Marxist movements encouraged or even directed from outside and indigenous pluralist movements which have a left-wing colouring but are basically coalitions of revolt against the corrupt exercise of power. The rhetoric from Washington is close to suggesting that all leftist movements are implanted in Latin America by the schemers of the Kremlin or Havana and that is a dangerous over-simplification.

They are the product of very particular circumstances which vary from country to country, but which tend to have certain points in common, among them a concentration of wealth in the hands of a few, repressive governments and pressures for reform. In the past, American

influence was often a very powerful factor, particularly in the small countries of Central America, and it was almost always thrown on the side of the status quo. It is, therefore, hardly surprising that opposition movements have adopted anti-American attitudes, or even that they should sometimes look for assistance to the United States' arch rival, the Soviet Union, as Cuba has. This may be irritating or even menacing, but to see them as having been put there by some outside influence is to get the sequence of events in the wrong order.

In proposing a programme of aid President Reagan has moved some way towards rectifying American policy and that is to be welcomed. It is true the purely economic aid is very limited and may well be even more so once Congress has its say, and that its effects can only be felt in the long term. But President Reagan, by these acts, has recognized that the best way to counter subversive movements is to eliminate the grievances on which they feed. The need now is to carry the same approach into thoughtful diplomacy, away from indiscriminate confrontation and into mediation so that moderate forces may be encouraged and not forced to ally with extremists. This requires acknowledging that the motive force behind the Sandinista government in Nicaragua or some of the guerrillas in El Salvador, are as much nationalistic as Marxist. In Nicaragua there is a leftist government with a strong Marxist element and it has lately been making moves to suppress dissent. But the Sandinistas still have a commitment to pluralism and to the maintenance of a large private sector. They are also anxious to have good relations with Washington. There is scope for discussion.

of the treatment of his sickest patients. This could mean that a patient will get no treatment should the patient's consultant psychiatrist and the medical commissioner disagree, and this in spite of the fact that two doctors and a lay person (relative, social worker, or judge) may have already agreed that the patient should be detained in hospital for treatment.

Who will be responsible in law for such circumstances? Where will patients be able to obtain recourse for inadequate treatment? The consultant will be faced with either discharging a sick and possibly dangerous patient or detaining him without treatment, thus denying a disabled individual a chance of improved health.

Next there will be a massive increase in unnecessary bureaucratic procedures and a considerable diversion of medical resources from the provision of patient care to an expensive quango.

Worst of all nurses and psychiatrists are opposed to detention without treatment, believing that such an eventuality would turn psychiatric hospitals into prisons. If Clause 38(3) is passed staff will increasingly refuse to admit patients under compulsory detention, thus exacerbating the problem which successive governments have tried to tackle, that of persuading NHS services to accept and treat the difficult, disturbed, and dangerous patient.

In El Salvador, too, there are hard-line Marxists among the guerrillas. But one of their objectives of negotiations should be to ensure that the influence of the hard-liners in any settlement is limited, and that the moderates are strengthened.

The dilemmas in El Salvador will not go away with the election, even if President Duarte's Christian Democrats defeat the extreme right. The guerrillas will still be there and American opinion, barely recovered from the traumas of Vietnam, is strongly opposed to deeper involvement and especially the commitment of American combat troops. So the risk remains that the present regime could be overthrown and replaced by one which had become violently anti-American and forced into the Cuban camp. The cease-fire and negotiation advocated by Mexico's President Lopez Portillo is a carrier course for American policy to pursue. The Russians and Cubans have their best opportunities when there is fighting going on because they or their allies can send arms to the side they favour. When the fighting stops their influence is liable to diminish because they cannot supply the economic help which is then needed; the Russians have already made it clear they are not prepared to take on the burden of another Cuba in Central America.

Mexico takes the view, of course, that the revolutionary movements in Central America are comparable to its own revolution earlier this century which has long been stabilised and that it is possible to come to terms with them. But it is at least as concerned as the United States to thwart the establishment of hostile governments in Central America. The record of confrontation is hardly so successful as to deny President Portillo's prudence a hearing.

None of these questions was raised in the earlier White Paper and consultation procedures. We do not believe that HM Government or Parliament wish to achieve these effects, and we therefore urge the House of Commons to reject Clause 38(3) in its present form.

Yours sincerely,  
JOHN GUNN,  
PAUL BOWDEN,  
JOHN HAMILTON,  
DAVID MAWSON,  
JAMES MACKETH,  
PAMELA TAYLOR,  
Institute of Psychiatry,  
De Crespigny Park,  
Camberwell, SE5.  
February 26.

### Patients from abroad

From Mrs Margaret Plowman  
Sir, In a leader today (February 24) you point out the complicated and distressing problems that would arise from Mr Fowler's plan to raise £6m from six million visitors to this country, to help defray the cost of their emergency medical treatment.

If he wishes to raise this sum, would he not be well advised to cut the Gordian knot and charge all adult visitors from the particular countries in question a tax of, say, £2 on arrival here?  
Yours faithfully,  
MARGARET PLOWMAN,  
52 Felsand Road,  
Oyngton,  
Kent.  
February 24.

## Wormwood Scrubs disorders

From Dr J.E. Thomas

Sir, Once again a report is produced on the prison system which condemns the behaviour of uniformed prison officers. Your report (February 25) on the Wormwood Scrubs "riot" catalogues the same depressing list of staff misdemeanours. And, once again, concentration on the real issue—disorder among staff—has generally been deflected by discussion around the usual irrelevant bolt holes, the records of the prisoners, and overcrowding.

Your Correspondent in today's issue (February 26) reminds us of the chronic failure of uniformed staff to obey orders, or sometimes to obey the law. And the list could have filled one of your pages. The breakdown of discipline is so widespread and of such long standing that we forget how serious a breach is the refusal, as at Flocklebury, to allow members of the public to visit the prisoners. It is the representative of both the Home Secretary and the community and is entitled under the law to visit at any time.

This kind of behaviour, which, as your Correspondent says, is widespread, is illegal and leaves out of account such acts as the vindictive stopping of visits on Boxing Day, which was described as "negotiated".

Perhaps the most important point in the Scrubs report concerns the behaviour of the staff after the riot. As elsewhere this demonstrates that the officers do indeed decide on how the prisons will be run. The prison governors, in their evidence to the May inquiry, asked for a strengthening of the discipline code. The refusal. But until this issue of staff caprice is faced we can only look forward to more law breaking and vindictive behaviour by staff and a consequent failure of our historic commitment to treating reasonably, not to say safely, those who are locked away.

Mr O'Brien said that the governors are "in the middle". It is time that they were put back on top, and high time that the Home Office restored the authority which we in the community have authorised them to exercise.  
Yours faithfully,  
J.E. THOMAS,  
The University of Nottingham,  
Department of Adult Education,  
14-22 Shakespeare Street,  
Nottingham.  
February 26.

### Satellite TV

From the Managing Director of BBC Television

Sir, I am sad that Paul Fox has written in the *Telegraph* (March 2) so sharply critical of the BBC's application to run a subscription channel. He knows as well as I do that someone will end up running such a service and it will consist to a large extent of new feature films.

The BBC's policy will be to insist that these films are made available to network television, either BBC or ITV, after approximately the same delay as at present; and to ensure that any profit made from the enterprise will go back into television or films and not be diversified into other activities. In short, the licence fee payer will gain from the BBC's plan.  
Yours faithfully,  
ALASDAIR MILNE,  
BBC,  
Television Centre, W12.  
March 2.

### The Romanovs

From Mr George Engle

Sir, The Romanovs evidently demand weighty tomes. Piers Brendon, reviewing Professor Litvin's recent book (February 25) describes it as "an American blockbuster which weighs two and a half pounds and packs a punch on every page". My copy of William Gerhard's pistol-packing book on them, published in 1949 with the subtitle "The last days of the Romanovs" (which has been the present), weighs all of 3lb 7oz and, though not mentioned in Michael Holroyd's piece on Gerhard which you published in 1981, is (as the saying goes), as good as dead. I would be pleased to see it better known.  
Yours faithfully,  
GEORGE ENGLE,  
32 Wood Lane,  
Highgate, N6.  
February 26.

### Lead in petrol

From the Director, Society of Motor Manufacturers and Traders, Ltd

Sir, I am responding to *The Times* leader (February 9, "Poison in the air") where you comment on lead in petrol. In view of my position I have had to take an interest in this subject because of requests for information on the likely effect of lead-free petrol on car engines.

I must say at the outset that car engines can, of course, be made to run on lead-free petrol. If they are to maintain the same performance as at present, the engines will have to be bigger and they will certainly be less economical.

Present engines cannot run on lead-free petrol and will fail if it is tried. They also cannot run on petrol at 0.15 grammes per litre (g/l) unless the octane rating is maintained. It is for this reason that there will be additional costs in refining. But, and I emphasize this, both vehicle manufacturers and the petroleum industry can respond to these demands if they are laid upon them. From now on I speak as a father and a recent grandfather from an entirely personal point of view.

Sources of lead in blood are food, water and air. The water contribution depends, it seems,

## LETTERS TO THE EDITOR

### 'Dichotomy of values' on cricket tour

From Mr D. G. Auger

Sir, Once again controversy has erupted over a number of English cricketers who have gone to South Africa to work at their chosen profession. Their motives are almost certainly mercenary and have nothing to do with the endorsement of the "noxious political philosophy apartheid".

I am appalled, not by the desire of any person making a living from a profession depending as it does on form and physical health to increase their gross earnings, but by the wave of hypocrisy that inevitably follows. After all cricketers, from India, Pakistan and the West Indies come to this country for the same reason and actually play in county teams alongside South Africans.

There appears to be no dissent regarding this anomaly or the fact that Britain and South Africa continue to enjoy very strong and mutually profitable trade links. This dichotomy of values is compounded by continuing sporting and trade links with the Soviet Union and her satellites, all countries in which the cause of human rights leaves much to be desired.

Afghanistan is forgotten and the war against man's inhumanity to man returns to the cricket field, so pale is the shadow of this once great nation that its falling is not sufficient for bad light to stop this ridiculous play.  
Yours sincerely,  
D. G. AUGER,  
6 Courland Avenue,  
Hampton,  
Middlesex.  
March 2.

From Miss Alison Davis

Sir, Your correspondent, John Woodcock (March 2), suggests the 12 English cricketers currently in South Africa are simply rewarding the efforts of the South African Cricket Union (SACU) to bring multi-racial cricket to South African playing fields. He chooses to ignore the political implications of their visit. It is he so naive as to think that in South Africa sport and politics are played in different arenas?

The players may feel they are just playing cricket; the South African Government no doubt feels it has won a political victory. It will exploit the affair point out to its own supporters that there is a good deal of sympathy worldwide for South Africa — and by that the Government means (however much the players themselves or even the SACU may protest) sympathy for the policies of apartheid.  
Or perhaps Mr Woodcock can

suggest a different interpretation of the fact that the South Africans playing against the English team will all receive full Springbok colours?

Yours,  
ALISON DAVIS,  
41, Ayrstone Road,  
Stoke Newington, N16.  
March 2.

From Mr David Little

Sir, Amidst the furore about the South African cricket tour two things strike me. How strange that on the day when there is such a fuss in the House of Commons, the captain of the "official" rugby union tour should receive the OBE from the Queen.

Secondly, Mr Boycott's smile must be wryer than usual at all the talk of banning these players. When he turned down the money offered by Mr Parker was there not a similar threat? Will anyone give me odds against, say, Graham Gooch playing for, or indeed captaining, England within the next five years? It must be a good bet.  
Yours faithfully,  
DAVID LITTLE,  
21 Woodlands Road,  
Formby,  
Liverpool.  
March 3.

From Mr Tony Hodges

Sir, I was sitting at home last night watching the news and the latest information concerning the outrageous behaviour of England's cricketers, daring to appear in South Africa.

I was so indignant that I took off my jacket (made in South Africa) and opened another bottle of South African wine. I even put down the British travel brochure inviting me to holiday in South Africa.

How can we possibly think of playing with people we do business with? Surely it is not British!

Yours etc,  
TONY HODGES,  
The Garage,  
Clumber Road West,  
The Park,  
Nottingham.

From Mr G. H. Jacobs

Sir, Let this country give hope and support to the untouchables by refusing to play cricket with India until the vile and pernicious caste system has been abolished.  
Yours faithfully,  
GEOFFREY H. JACOBS,  
9 St Clare Street,  
Minories, EC3.  
March 2.

### BL Bathgate sale

From Mr D. R. G. Andrews

Sir, I refer to your leader column of March 2 in which you referred to the sale of Leyland's agricultural tractor business. I must take issue with the statement that this was a "knockdown price".

The fact is the business had been losing significant amounts of money and had no hope of viability at Bathgate, production capacity being several times larger than any foreseeable level of future sales. It would have had to be closed altogether if no buyer had been found. As it was, the deal was struck on very generous terms, but also in that it gave Bathgate some on-going business on engine supply and saved some jobs.

There was no question of hanging a public "for sale" notice on the tractor business, particularly as the disposal involved the closure of the existing Bathgate operation. Such a premature announcement would undoubtedly have resulted in an immediate erosion of customer confidence with the

earlier closure of the business being a certain consequence.

However, we did receive a number of approaches from interested parties against which we were able to judge the offer which was finally accepted. I find it difficult to follow the argument in the last sentence in the article, which talks of the possibility of managerial mistakes being "fudged and concealed". Our procedures and accounts are constantly reviewed and approved by independent auditors.

Additionally, in the case of the tractor disposal we gave full information to the Department of Industry, in accordance with the agreed arrangements between BL and the Government for monitoring the company's progress. As you know, the Comptroller and Auditor General, who has mounted an inquiry into the sale, has full access to the department's files.

Yours sincerely,  
D. R. G. ANDREWS,  
Executive Vice-Chairman, BL and Chairman, Leyland Group.  
BL Public Limited Company,  
35-38 Portman Square, W1.

### East Timor

From Mr R. A. Hood

Sir, I would like to congratulate you on the recent leader (February 24) on the present situation in East Timor. We have long been of the opinion that the sufferings of the people of that region and would like to press for further debate and discussion in the national press.

One of the most worrying aspects of the situation is the obstacles which Indonesia has put in the way of the free flow of information from and about East Timor. We would hope that the Indonesians would agree to a request made by our partner

agency, Australian Catholic Relief, to admit observers from various aid agencies to examine the feasibility of restoring basic agricultural conditions in East Timor.

In general we wish to add our voice of support to the growing call for international observers to visit East Timor to give an objective assessment of the situation.  
Yours sincerely,  
R. A. HOOD,  
Administrator,  
The Catholic Fund for Overseas Development,  
21a Soho Square, W1.  
February 26.

## Mr Jeremy Thorpe and Amnesty

From Dr Gordon McGregor

Sir, Through their well-intentioned letter (February 27), which begins by deploring the world-wide abuse of human rights, Mr David Astor and his friends may only succeed in adding to it. Mr Jeremy Thorpe has been appointed Director of the British Section of Amnesty by an open and rigorous selection procedure. Does he not now have the right to at least a brief opportunity to demonstrate his unsuitability in the post before his unsuitability is further debated?

He was, conceivably, chosen partly because of the flair and judgment he showed in a previous lengthy period of political leadership. If your correspondents were to arraign retrospectively all the public figures of even our recent past whose judgments on private relationships had sometimes been reprehensible they would have a long list to work through.

They ask for "impeccable judgment" but have between them enough experience of human affairs to know that it is not to be had. Those who appoint can do no more than seek out the best available judgment for a particular post and, knowing that it will be fallible, advise and support it unless and until it proves damagingly inadequate.

I write as a rank and file member of Amnesty who neither knows Mr Thorpe nor shares his political affiliation, and remain, Sir, as your correspondents requested, unequivocally yours,  
GORDON MCGREGOR,  
Principal's House,  
The College,  
Lord Mayor's Walk,  
York.  
February 28.

From Mr John Hall and others

Sir, The move to oust Mr Jeremy Thorpe from his new job as director of Amnesty International's British section may already have succeeded. The undersigned wish to record their sadness that an organisation devoted to the succour and rescue of persecuted individuals should even consider harassing and perhaps founding out their new director before he has even sat at his desk and looked round him at the problems facing Amnesty International.

Yours fr.,  
JOHN I. WINCHIE,  
JOHN B. J. WELLS,  
PAUL HOBHOUSE,  
Ansdorf Cottage,  
Ansdorf,  
Castle Cary,  
Somerset.  
February 27.

From Mrs Michael Noakes

Sir, Quite apart from the fact that Jeremy Thorpe was found not guilty, I always understood that amnesty was the pardon of past offences.  
Yours faithfully,  
VIVIAN NOAKES,  
146 Hamlyn Terrace,  
St John's Wood, NW8.  
February 27.

### Canada's Constitution

From Sir Charles Fletcher-Cooke, QC, MP for Darwen (Conservative)

Sir, In his letter (March 1) Sir Anthony Kersey misunderstands Sir Derek Walker-Smith's letter of February 25 and consequently misinterprets it. Nowhere does Sir Derek suggest that any finding by the Canadian courts can make an Act of the British Parliament "illegal" or, to the contrary, in his letter Sir Derek described such an Act as "an instrument valid in English law as the product of the sovereignty of Parliament", that being the principle applicable to this country as being a unitary state with no written Constitution.

The danger to which Sir Derek rightly drew attention was the possibility, if the Canada Bill is enacted before judgment is pronounced, of a conflict between an Act valid in English law and a decision of the Canadian courts related to their federal Constitution.

Sir Anthony refers to the obligation of the British Parliament "to see that the Canadian request is a 'proper request'". But how can we know that the request is "proper" until the Supreme Court has decided whether the request was proper in accordance with the conventions of the Canadian Constitution — the very point to be canvassed in the proceedings in the Canadian courts?

To stigmatise such litigation as either "frivolous" or "vexatious" may well be regarded as offensive by judges and lawyers in Canada and may provoke a very dangerous reaction in the Province of Quebec. Surely the wise and statesmanlike course is to await, before proceeding further with the Bill, the judgment of the Supreme Court, which is confidently expected before the end of the year.

I am, Sir, your obedient servant,  
CHARLES FLETCHER-COOKE,  
House of Commons.  
March 2.

### Hot line

From Mr Barry C. Martin

Sir, Referring to Saturday's correspondence (February 27) where they are bad they are very bad!

January 8, we informed Telecom of our proposed move, on March 1, to premises only next door. It is now the morning of March 1 and we have no service at either our old or new premises.  
Yours,  
B. MARTIN,  
Martin and Warnock,  
3 Bromley Road, SE6.

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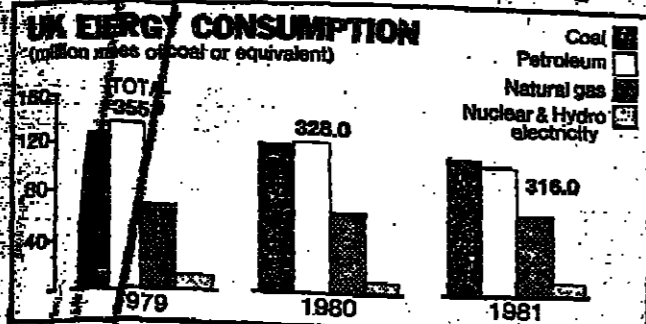
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## BUSINESS NEWS

دردان الاحول

## Fuel consumption up



United Kingdom consumption of primary fuels was up 3.2 million tonnes of oil in the three months to the end of January, a rise of only 0.7 per cent on the year earlier. Motor spirit deliveries were down 6.2 per cent in the three months. Petroleum output, however, was 23.5 million tonnes, a rise of 8.5 per cent on the year earlier. Natural gas consumption rose by 7.1 per cent and coal by 0.4 per cent.

## Drop in pension rebate

Members of occupational pension schemes which are contracted out of the State earnings-related pension scheme will pay more for their pensions from April 1983. The Government has announced that the rebate to both employer and employee in a contracted-out scheme will be reduced from 7 per cent to 6.25 per cent. This means that employees' National Insurance contributions will rise from 6.25 per cent of relevant earnings to 6.6 per cent, after April 1983.

## More BL jobs lost

A further 200 jobs seem certain to be lost at British Leyland's truck plant at Bath, West Lothian, after JCB, the earth-moving company, said yesterday it was pulling out of the remainder of its £5m engine contract. The Staffordshire company has decided to standardize on Perkins engines. A BL spokesman said the news came as a great blow.

## Carl Marks sues Russia

Carl Marks is suing the Soviet Union — Carl Marks Inc. of New York, that is, a securities company operating from the London office of Wall Street. The company has filed suits in the southern district court of New York seeking \$618.75m (\$325m) plus interest from the Russian Revolution. The case is being brought on behalf of some 3,000 holders of two debt issues sold in the United States in 1916 for the Imperial Russian Government and repudiated by Russia in 1918. Due in 1921, the \$25m 5½ per cent was payable in American gold coin.

## Bid setback

Sketchley, the dry cleaners, suffered a blow yesterday in its first United States takeover bid for Means Inc., the Chicago workwear and linen rental business. A rival suit from the Philadelphia-based ARA Services group, stepped in offering \$37 a share, valuing Means at \$46m (\$25m) against the \$40.6m offered by Sketchley at \$33 a share.

Mr Walter Goldsmith, director general of the Institute of Directors, warned business leaders by telegram to expect a reflationary Budget.

Mr Leo Tindemann, Belgian Foreign Minister, has again called on the United States, Japan and the EC to improve monetary cooperation.

## Emergency Opec meeting could cut prices again

By Jonathan Davis, Energy Correspondent

Oil ministers of the Organization of Petroleum Exporting Countries will hold an emergency meeting this month to discuss the world glut, Dr Mani Saeid al-Otaibi, president of Opec, announced yesterday. The move, which comes only a day after the North Sea oil prices were cut by \$4 a barrel, increases the possibility of more reductions in official world prices, with beneficial effects on western economies.

Dr al-Otaibi, who is also oil minister of the United Arab Emirates, said in Abu Dhabi that most of Opec's 13 members had agreed to the meeting. Some experts believe it could be held as early as the end of next week.

A meeting has been expected for some time, and the decision comes after two weeks of intensive diplomatic contacts within Opec. There was no indication last night, however, whether Saudi Arabia, the organization's largest producer, will attend. Sheikh Zayed Bin Sultan al-Nahyan, president of the United Arab Emirates, will visit King Khalid, of Saudi Arabia, to press the Saudis to attend.

The presence of the Saudis, who produce about 40 per cent of Opec's output, is regarded as vital if Opec is to make any real impact on the present turbulent world markets.

If the meeting is held, Saudi Arabia will be urged to cut its production to help maintain the present Opec pricing structure, based on a \$34 a barrel benchmark. Otherwise Opec members



Millionaire publisher Robert Maxwell yesterday: a hint that he may become the third man in the fight for ACC.

## Maxwell hints at joining fight for ACC

By Philip Robinson

Millionaire publisher Mr Robert Maxwell admitted yesterday that he owns non-voting shares in Associated Communications Corporation and hinted he could become the third man in a fight to gain control of the asset-rich empire formerly headed by Lord Grade.

He would join Australian Mr Robert Holmes a Court, who replaced Lord Grade as chairman and chief executive and has two bids, one worth £36m and another worth £46.5m on the table and Mr Gerald Ronson, whose Heron Corporation is now offering nearly £50m.

In his first interview since entering the battle, Mr Ronson said yesterday that he would not be prepared to run ACC if Mr Holmes a Court retained his 51 per cent non-voting stake.

"I don't believe Mr Holmes a Court wants to own ACC. He's either going to sell at

the best price he can get or break up the company. I do not intend to go in and strip the company and destroy it. Mr Holmes a Court says the difference between him and me is that I get emotionally attached to my business. That's right. I do get emotionally attached to the people who work for me.

"I want to know when the directors of ACC are going to start acting responsibly to the people of that company," he said.

He is still waiting to meet the board of ACC, a request which was first lodged on January 13.

Mr Ronson said if he gained control of ACC, there would be an orderly withdrawal from films in the United States, Lord Grade could continue on a contract which would pay him £202,000 a year until 1984 and then be terminated at six months' notice, and that Mr

Jack Gill, dismissed managing director of ACC, could well be brought back.

"I don't want to get involved with the court case over Mr Gill's pay-off, but if a man was earning £125,000 a year and was thrown out — it was a straight fight with Lord Grade, him or me — for reasons we still don't know and he had worked there that long, then he may be entitled to it."

Mr Maxwell said he bought the shares some while ago over Mr Gill's pay-off, but if a man was earning £125,000 a year and was thrown out — it was a straight fight with Lord Grade, him or me — for reasons we still don't know and he had worked there that long, then he may be entitled to it."

Mr Maxwell said: "I am watching the situation. I am

not going to say I will make a bid and I can't say whether I'm buying any more shares, but the court decision opens the situation."

He was referring to Monday's Appeal Court ruling which effectively paved the way for ACC to be sold to the highest bidder.

Meanwhile, the ACC board gathers today for the first formal meeting since the Appeal Court judgment. It is likely they will discuss how they might sell assets valued in excess of £7m.

Under the Takeover Code, they could either ask Mr Ronson's permission, seek a ruling of the full Takeover Panel, or ask shareholders' permission. Mr Holmes a Court is expected to make a statement next week on whether he intends to increase his bid for the group. Heron's offer document is due out on Monday morning.

## Dawn raid planned for Fleet?

By Ronald Pullen

There is widespread speculation that today's stock market debut of Fleet Holdings, Trafalgar House's demerged newspaper and publishing interests, will coincide with a raid on the company's assets.

A number of likely candidates have been mentioned including a consortium led by Mr Jocelyn Stevens, former deputy chairman of Express Newspapers; Mr Robert Holmes a Court, Mr Tim Rowland of Loribro, and Mr Robert Maxwell.

Mr Maxwell denied planning a dawn raid on Fleet. He however said that he still harboured ambitions to own a Fleet Street newspaper.

Meanwhile Fleet shares are expected to start dealings at around 22.25p against the stated net assets of 59p and a 20p par value.

## ROMANIA 'MILLSTONE'

From Peter Norman, Brussels, March 3

Romania's proposals to reschedule about \$2,400m (£1,325m) of its Western debt have left bankers resentful at the way they were asked for re-scheduling and cast doubt on the usefulness of Eastern Bloc countries joining the International Monetary Fund to repair their economies.

"After Poland, it's the second Comecon millstone round our necks and such cases set a bad example to other Eastern Bloc debtors," said a West German banker summing up Romania's request for an agreement rescheduling most of its debts due this year and about \$1,000m of debt outstanding from last year.

After talks in Frankfurt with a small group of its bankers last week, Romania sent telex messages to its 200 or so Western creditor institutions proposing that it repay the \$2,400m over 6½ years.

The joker in this particular pack remained the price of oil. This was more a political phenomenon rather than an economic one. Forecasting was therefore difficult. "I remain a moderate pessimist. I do not believe the prospects of oil will predict that a new oil price increase in the mid-1980s will bring the world to economic and even military disaster."

The emergence of France, Germany and the United States as important manufacturing nations in the 1870 and 1880s allowed Britain from its hitherto preeminent position with the consequence that it expressed 20 years of depression. Professor Hague referred to suggestions that the Western nations now faced a similar period of years during which they would have to adjust to the success of the newly industrializing nations. This was a gloomy forecast, but that did not make it wrong.

The period of 1950 to 1973 was very much the golden age of the motor car. The next upturn would have to be based on something new.

## NCB faces monopolies inquiry

By Jonathan Davis and Derek Harris

The Government yesterday ordered the Monopolies Commission to investigate the efficiency of the National Coal Board as part of a drive to monitor the performance of nationalized industries.

The commission will be carrying out six other investigations, including one into the Civil Aviation Authority.

Although the Government attempted to play down the coal investigation as just another routine part of the commission's expanded role, there is no doubt that politically, the commission's conclusions will be highly sensitive. The investigation comes at a time when the coal industry is facing a critical change of course.

with the election of Mr Arthur Scargill as president of the miners' union, and the imminent retirement of Sir Derek Ezra, the board chairman.

The wide-ranging inquiry will include the coal board's operating costs and its investment plans. Interest in both Government and the industry will be focused on whether the commission tackles the question of the closure of uneconomic pits.

The coal investigation will be followed by inquiries into two regional water authorities, Anglian and North West, and two electricity boards, Yorkshire and South Wales.

Caledonian MacBrayne, ferry operators with a monopoly in the Scottish islands and part of the Scottish Transport Group, will also be investigated.

The investigation of the Anglian and North West water authorities will test whether they can improve the efficiency and reduce the costs of their sewerage operations.

In future the Government will announce its investigation programme for the coming year in advance, Mr John Biffen, the Secretary of State for Trade, said. But after an investigation of an industry a fresh inquiry would not be mounted for at least four years.

## CSI wants new investor protection

By Lorna Bourke

There is an urgent need for new legislation to protect investors, the council for the Securities Industry has told the Department of Trade. The council also supports the need for a statutory authority to regulate licensed dealers, as recently proposed by the department.

Last January, after the collapse of several licensed dealers in Securities — most notably Norton Warburg, which crashed owing private investors nearly £5 million — the department published draft proposals for amending the licensed dealers' rules.

The council gives its full support to these suggestions only minor amendments.

The department's main proposals were that clients' money should be kept in a separate "client's account" which would be regularly monitored by the department, and that it should be a legal requirement for all licensed dealers to have full indemnity and fidelity insurance to provide protection for investors in the event of fraud.

These proposals are enthusiastically handled by the CSI, though it believes they

should be tightened up still further by defining precisely what can be paid into a client's account and what can be withdrawn.

The CSI also suggests several amendments on dealing practices, pointing out that dealers' books cannot be written up before a transaction is carried out. The recommendation is, therefore, that securities bought for discretionary clients should be allocated to those clients immediately, "and in so doing, the dealer shall not take a turn in the dealing price."

## Talks on more joint ventures

By Peter Hill

British and Japanese government officials will meet later this month to discuss further industrial collaborative ventures.

The British Government is actively encouraging exchanges with Japanese companies in the hope of stimulating collaborative deals and improving manufacturing efficiency.

But Mr Kenneth Baker, Minister for Information Technology emphasized yesterday that the Government was looking to the Japanese to show greater initiative at the forthcoming session of the Anglo-Japanese Industrial Cooperation Committee.

Rolls-Royce is already involved in a joint aero-engine project with three large Japanese companies, and more recently International Computers Ltd negotiated a deal with Japan's Fujitsu, under which ICL will market Fujitsu's large main-frame machines in Europe with the British company also gaining access to advanced micro-chip technology.

Mr Baker, speaking to the British Institute of Management said: "Both the Japanese and the British Government have made it clear that they wish to see more collaboration of this nature."

Ministers are facing renewed pressure from employers and trade unions for a redrawing of the Government's regional policy map. Although Ministers and the Confederation of British Industry have rejected many of the TUC recommendations including its main call for the introduction of regional labour subsidies — the CBI favours the TUC suggestion that the present map needs redrawing.

## The best meetings take place

For over a decade, people with a sense of occasion have chosen to rendezvous at the Inn on the Park.

Now we're also glad to say people with good business sense are choosing the Inn on the Park for meetings of another kind.

Though for much the same reasons. First, and foremost, the Inn on the Park is a luxury hotel.

But if you think this makes for an unbusinesslike venue, think again. Nowhere are there surroundings more likely to make a lasting impression on colleagues and clients. And nowhere is there an atmosphere more conducive to making business a pleasure.

This is made possible by service so thorough, so efficient and so unobtrusive that it leaves the businessman totally free to deal with matters at hand.

No matter how big the business, or how small the gathering.

Then, there is the added incentive of not one but two world-class restaurants.

The Four Seasons which boasts cuisine fit for the palates of the greatest captains of industry.

And Lanes, where the whitest collars can loosen their ties...not to mention their belts.

All this, plus two bars and a lounge where even the fastest-moving executives will want to slow down and relax, makes the Inn on the Park the perfect setting for business of any kind.

If you would like to find out more about business meetings at the Inn on the Park, simply call our Banqueting Manager, Paride Alexander or Anthony Rivers on 01-499 0888.

where the best people meet.

## Pact with Opec needed, says Thatcher adviser

## 'No upturn this century'

By Melvyn Westlake

A senior economic adviser to the Prime Minister yesterday predicted that there would be no significant upturn in Western economies before the 1990s, and possibly not before the end of the century.

Professor Sir Douglas Hague said another period of prosperity like that of the 1950s and 1960s would have to wait until new growth industries emerged.

Western countries, he said, should try to work out some understanding with the Organization of Petroleum Exporting Countries over the way the oil price should increase from year to year.

Professor Hague was, however, not optimistic that such an understanding would be reached.

Addressing a financial conference in London, he forecast yesterday that the 1980s would see much greater exchange rate stability than in the 1970s. He could not see western governments relaxing their efforts to "squeeze out" inflation, through the use of high interest rates, for a year or two.

"But the evidence of history, from the 1930s onwards, is that the developed countries (the Western group) cannot operate for long at tolerable rates of unemployment with real interest rates (after allowing for inflation) much above zero. As we move through the 1980s, I should be surprised if real interest rates do not fall towards zero again," Professor Hague said.

Professor Hague, a pessimist.

Professor Hague: pessimist.

## MARKET SUMMARY

## Gilts run out of steam

## LONDON EXCHANGE

FT index 555.2 down 2.6  
FT 100s 67.42 up 0.11  
FT All share 321.49 down 0.34  
Bargains 23,013

Investors started to batter down the latches yesterday by unveiling their positions ahead of next Tuesday's Budget.

As a result there were a few sellers about to see the FT index end the day 2.6 down at 555.2, having been 1.8 higher at 11am.

Elsewhere, at least a ½ per cent cut in base rates now appear to be receding with just four trading days left before the Budget.

Cris opened steady, but lost ground after learning of Wall Street's nervous reactions to BNO's latest round of price cutting for North Sea crude. BP closed unchanged at 282p and earlier gains among many of the oil shares were cancelled. Shell ended just 2p up at 342p, Lamsco 5p at 303p, Tricentral 2p at 188p and Burnah 1p at 177p.

Ultramar's full year figures were well received with the absence of a rights issue also proving cause for celebration. But after touching 385p at one stage, the shares ended the day with net rise of 5p at 385p.

Gilt-edged showed signs of running out of steam after the market's recent spectacular performance. Dealers reported a noticeable trailing off in turnover and a lifting of the ceiling from the Bank of England of the expected cut in interest rates.

## COMMODITIES

Cash tin remained under selling pressure yesterday and closed 210 down at £7,080 a tonne, after reaching £6,960 in the morning. But three months tin rose by £30 to £7,285 a tonne, producing one of the widest contangoes for many months.

Much of the morning selling was against options, dealers said. There was better stock buying in the afternoon. Mr Paul Leong, Malaysia's Primary Industries Minister, said that a meeting of all tin producers was likely to be held in Nigeria at the end of June.

Big purchases of lead by the Soviet Union stopped the price decline and pushed cash prices up by £3.50 to £337 a tonne. The three months price strengthened from £342.25 to £343.75. Dealers said up to 15,000 tonnes of lead could be sent to the Soviet Union this month. London Metal exchange stocks might not rise as expected. More purchases could be made next month, but the rise is not seen as the start of a bull market. Zinc prices went up in sympathy with lead.

## TODAY

Industry Select Committee on British Shipbuilders.  
Confederation of British Industry regional conference, West Midlands.  
Board meetings: Interims: Medminster, Mitchell, Cotts, Finafs, Antofagasta Railway, General Mining, Unilever Corporation, Law Debenture Corporation, Macallan-Glenlivet, Ramones Sims and Jefferies, Rae Bros, Rentokil Group, W N Sharpe, Tavenor Rutledge, Weeks Petroleum.

## OTHER EXCHANGES

Tokyo: Nikkei Dow Jones Average 7,474.42 up 165.01.  
Hongkong: Hang Seng index 1,196.69 down 35.08.

## CURRENCIES

● Rates moves narrowly in quiet trading with the pound recovering from a day's low of \$1.8125  
LONDON CLOSE  
STERLING: \$1.8230 up 90 points  
Index 90.8 up 0.1  
DM4.3200  
Fr.11.0200  
Yen 43.00  
DM2.3710 down 0.2  
DM2.3710 down 67 pts  
GOLD: \$353.50 down \$7

## MONEY MARKETS

● Period rates eased by about ½ per cent, in response to a forecast shortage of £300m, the Bank bought £38m of bills outright at unchanged rates and £200m for repurchase by the houses on March 24 at 13½ per cent.

Domestic rates  
Base rates 13½  
3-month interbank 13½-13¾  
Euro-currency rates  
3 month dollar 14½  
-14¾  
3 month DM 9¼-9½  
3 month Fr.F 15¼-15½



## PEOPLE

## Judge not, list ye be judged

Scrubbing on advertisements may be bad, but it nearly becomes good when it is about a man. Two Men, members of the Billboards Association, have been ordered to pay £35 (£20 apiece) by the City of London for advertising a Marlboro cigarette by writing "Horses smell like BUCA UP."

Summing up, Mr Justice said he had the greatest sympathy with the City of London. He ordered the two men to pay £35 (£20 apiece) by the City of London for advertising a Marlboro cigarette by writing "Horses smell like BUCA UP."

Personally, I am not so sure that the whole case is as simple as it seems. The City of London is a very old and very important place. It is the heart of the City of London. It is the heart of the City of London. It is the heart of the City of London.

The only place that does without a bank is, I suppose, the City of London. The City of London is a very old and very important place. It is the heart of the City of London. It is the heart of the City of London. It is the heart of the City of London.

BBC MAY GET BORN SPACE CHANNELS. The City of London is a very old and very important place. It is the heart of the City of London. It is the heart of the City of London. It is the heart of the City of London.

Win the pools for just £40? A pocket calculator could hit the jackpot for a small Cotswold firm. Dutchford of Cirencester, Gloucestershire, is about to market our first football pools forecaster, which so far this season is said to be consistently better than all other tipsters combined. "We call it the Data-draw," explains Keith Lindley, Technical Director. It is something like a calculator. It can be used for betting by any sort, but is particularly suitable for the League format. It uses data that is available each week in the newspapers, but it also allows the punter to feed in his own hunches. We've already had quite a few wins.

The forecaster is the brainchild of Don Wright, an ex-RAF navigator with a passion for playing games. Previously, he has been responsible for puzzles on the back of Kellogg's Cornflakes. Keith adds: "The Data-draw should start at just under £40."

How kind of Keith and Don to grow rich by enriching others.

Maxwell sticks to hard Labour. How should a millionaire socialist those who party to back? Should they protect capital, and support monetarists (plus three million unemployed)? The hard Left as a form of Danegeld? Or other in the middle? Erstwhile.

Labour MP and saviour of British Printing Corporation, Mr Robert Maxwell, has just said: "Yesterday, I was talking to the Iron Lady's magnificent attraction. He told me: 'You must give Maggie credit for getting inflation down. But I did not vote for her and never would. I'm a die hard Labour man.'"

Peter Wainwright

NEW APPOINTMENTS

Sir Humphrey Priddy has been appointed a director of Grindlays Holdings. Mr R. W. Jones, a managing director, has assumed responsibility for operations in the Middle East and Africa of Grindlays Bank Group. He succeeds Mr A. C. F. Thomson who retires from executive duties but remains a director of the bank and of Grindlays Holdings.

Peter Wilson-Smith

# Why the big banks will keep their record profits

Three of the four big clearing banks have published their 1981 results and the figures are impressive. Lloyds Bank kicked off the reporting season with a one-third gain to £386m, National Westminster showed a 20 per cent rise to £494m and earlier this week Barclays announced an 8 per cent rise in profits to £567m.

The record profit — considerably higher than 1980 results — led to the windfall profits tax — might well prompt the man in the street to ask whether another special levy was in order.

The profits of three banks to have reported so far total £1,447m compared with £1,224m in 1980 — an 18 per cent increase. Midland is not expected to do as well as the other banks and some outsiders are even forecasting a fall in profits. But even assuming the worst — that Midland's profits are down from £232m to say £215m — the total profits of the big four would still show a 14 per cent gain to £1,665m during a year when much of the industry was facing the worst recession since the 1930s.

Dividends have also been raised sharply. Barclays has raised 1981 dividends by 19 per cent and indicated a one-fifth rise for 1982. Nat West gave shareholders one-fifth more and Lloyds a one-quarter.

But despite these very high figures the clearing banks' chairmen appear remarkably relaxed and the general feeling is that the banks should escape from next week's Budget largely unscathed.

The Government, after all, made great play of the fact that last year's windfall tax, which cost the big four a total of £315m, was a one-for-all impost.

But on top of that, the banks would certainly argue that the crucial element which made last year's profits so politically sensitive is less in evidence this year. The windfall or endowment element in bank profits, which arises from high interest rates and which provided the main justification for last year's special profits tax, has been falling. Historically the banks have prospered from high interest rates because a large part of the deposits are in the form of current accounts, which do not pay interest to the customer although they now cost about 10 per cent to run.

During 1981 average bank base rates came down from 16.3 per cent the previous



## WHAT THEY MADE

	1981	1980	1979	1978	1977	1976
Barclays	567	524	529	373	295	198
Lloyds	386	290	277	185	173	148
Midlands	232	232	315	231	187	167
Nat West	494	410	441	306	241	188

\*Different accounting bases

Nat West's international banking division also showed an improvement in profits before loan interest despite the continuing problems with National Bank of North America, although if financing costs were fairly allocated, Nat West's international gains would probably prove less impressive than that of the other banks.

Leasing is another area where the banks made bigger profits last year, but it has also had a big impact in reducing the tax charge of two of the banks to report so far. A fact which will not be missed by those who feel the banks should be taxed more heavily. The reported tax charge at Barclays, for instance, fell from £152, to £105m last year and that of Nat West from £92m to £57m.

taxed heavily on their United Kingdom profits.

In their defence, of course, the banks point to the benefits they provide for industry with their leasing business by providing a cheap form of finance for capital investment. They also argue that much of the tax advantage they gain through leasing is passed straight on to the lessee in the form of lower effective interest charges.

One of the main arguments put forward against the windfall profits tax by the banks was that it would eat into their capital bases and impair their ability to grow. On this score the banks appear to have weathered the tax pretty well and they have not been constrained from paying much higher dividends in 1981.

Midland Bank may prove to have been the worst sufferer when it reports results later this month. The windfall tax came as a particularly bad time for Midland. Last year it went ahead with the big and expensive acquisition of Crocker National Corporation in the United States and its recent profits performance has been poor.

However, the other banks have all emerged from 1981 with fairly comfortable capital ratios. Ideally of course bankers would like their capital bases to grow in line with their balance sheets but the fall in sterling against the dollar and other currencies has inflated the balance sheets of the banks.

Barclays, whose balance sheet grew by 30 per cent last year, did see its free capital ratio (which indicates the strength of the balance sheet) slip from 4 to 3.5 per cent. However, the £100m loan stock it is raising — it lost £94m through the windfall profits tax — will restore the ratio to 3.8 per cent.

An indication of the cost of the windfall tax of profits was given by Nat West which announced that £14m of the £27m rise in loan interest last year represented the cost of additional loan capital to replace what it lost through the tax.

An important development of bank lending over the past year had been the big rise in mortgage business carried out by the banks, which are now thought to be providing about 50 per cent of all bank mortgages at the moment and has just topped £1,000m in mortgage lending. However, the impact on bank profits, although it will grow, is likely to remain fairly modest and probably has a depressing effect on margins.

## A delicate balance for poorer nations

The slide in world oil prices has not come a moment too soon for many hard-pressed developing countries. Across large parts of Africa, Asia and Latin America, the combination of recession, high interest rates and declining commodity prices is taking a heavy toll. Lower oil bills will provide some respite.

But the benefits of falling oil prices will be far from uniform. In the space of a few years, oil production has risen sharply in many Third World nations which are not members of the Organisation of Petroleum Exporting Countries (OPEC). There are almost a score of developing countries outside OPEC that today produce more oil than they need for themselves or are almost self-sufficient. Mexico and Egypt are the most notable examples.

But the list also includes Malaysia, Trinidad and Tobago, Argentina, Angola, and Cameroon. Production in this group has jumped more than 50 per cent since 1978, and is expected to reach 5.6 million barrels a day this year, equivalent to about a quarter of all the oil produced by OPEC.

For this group of nations, the declining price for oil will be less than welcome. Their position is not very different to the high-population producers of OPEC, like Nigeria, Indonesia or Algeria.

For them, lower oil revenues will mean substantial belt-tightening. But, for another 80 or 90 countries in the Third World, which remain net importers of oil, lower prices will mean vital savings of foreign exchange.

Although many of these countries have been busy developing alternative sources of energy, like hydro-electricity and nuclear energy, the oil imports have not changed much in volume terms. Overall, every \$1 drop in the oil price will cut their import bills by \$1,500m.

Among the chief beneficiaries

will be those developing countries that have been rapidly building up their industry. These "newly industrializing" nations — Brazil, South Korea, Taiwan, Hong Kong, and Singapore — saw their net oil import bills more than double between 1978 and 1980, from \$10,000 to \$23,000m.

The recent drop in the oil price will only go a small way to reversing the previous huge jump in energy bills. But for a country like Brazil, which imports four-fifths of all the oil it consumes, any reversal is a welcome relief. India is another big developing country standing to gain quite markedly. It produces only about a fifth of its substantial oil requirements.

However, the overall effect on the Third World's current account deficit may not be all that large. The gains and losses among the non-OPEC nations may broadly cancel out. The precise outcome will depend on how various countries react. Those which gain may choose to use the unexpected windfall to repay short-term debts and build up their depleted foreign currency reserves. Alternatively, they may simply decide to purchase other kinds of imported goods, in order to speed up economic growth.

Among the losers, Nigeria is probably in the most difficult position. Its current account deficit has increased dramatically and its foreign currency reserves have slumped. Last year, its reserves were only sufficient to pay for two months imports in 1980 and more than a year's imports in the middle 1970s.

Mexico, the world's fourth largest oil producer, also faces serious balance of payments problems. Its current account deficit last year was nearly \$12,000m, some 75 per cent up on the previous year.

External debt has soared and growth has slumped. Two weeks ago the Mexican Government allowed the peso to float freely against the dollar on the international currency markets, and it immediately fell by 30 per cent.

Mexico is something of a special case. Even so, several other oil exporters have felt obliged to ask their bankers for bigger loans. A key factor for the Third World is the extent that lower oil prices stimulate higher economic activity in the industrialized nations. Higher growth in the West would help halt the slide in commodity prices and provide bigger markets for Third World exports. However, the oil price fall would have to go a good deal further before it has a significant effect on world growth.

In the meantime, it may well trigger off changes in the pattern of bank lending. One implication of a fall in the revenues of the oil exporters is that less money will be available to the banks for recycling. Some oil exporters will be

had reserves which were less adequate than they were in 1975. In almost two-thirds of the countries examined, the reserves were not sufficient to buy three months imports, which is usually regarded as the minimum amount. These included countries that were self-sufficient in oil or net exporters — like Bolivia, Egypt, Guatemala, and Mexico — as well as oil importers, like Jamaica, Thailand, Tanzania and Morocco.

Taken together, the developing countries possessed reserves equivalent to 3½ months imports, compared with three months in 1975 and a peak of 4½ months in 1978.

The question is whether the developing countries can now re-build their financial positions as they did after 1975. This looks increasingly unlikely. One difficulty is that the debt burden is higher now than it was in the mid-1970s. Moreover, the world recession seems likely to continue for many months yet.

This will reduce the Third World nations' scope for exporting their way out of trouble (whereas in 1976 the world economy was well on the way to recovery) and, in the longer-term, it looks highly likely that the depression in oil prices will prove as transitory as in 1975, and to a lesser extent in 1978.

If the price resumes its upward trend, this will help sustain the increasing number of oil exporters. But if the oil importers have not got their finances into better shape by that stage, many of them will be in very deep trouble.

However, the financial position today is nearly as bad as it was in 1975. According to the latest *Amer Bank Review*, the reserves of developing countries fell 15 per cent last year. Moreover, their debt repayments in 1981 exceeded their total bank deposits — the first time that this has been the case for at least five years. In short, many developing countries are financially extremely stretched.

Reserves provide a cushion against a fall in export earnings or other unpredictable events. If they continue to fall, some Third World countries will have no alternative but to slash imports and reduce their economic growth still further.

Out of 30 developing countries examined in the *Amer Bank Review*, more than half

## Business Editor

## Spotlight on the NCB

This government has got it in for the nationalised industries, remaining firm in its belief that they are innately inefficient and must be made to mend their ways.

It is not a totally unjustified presumption. Common experience and successive enquiries have shown corporations suffer most of the diseases of large corporations with a dominant market position. The problem for the Government is how to get at these inefficiencies.

One approach, furthered yesterday with the National Coal Board (and with two water boards to follow), is to refer the industries to the Monopolies Commission for investigation. Several, including the Central Electricity Generating Board and the gas showrooms, have been referred to the commission in this way, and the reports have been of higher quality than most of its reports on commercial companies.

There is no reason to doubt that in the Coal Board's case it will not also be useful. For too long the Coal Board has been regarded as a sacred cow that cannot be directly criticised. On the whole it appears efficiently run but there is no harm for its management to face the inquisitors.

Alternative approaches being canvassed include a change in the structure of the industry, as proposed by the Think Tank. It is apparently gaining some Downing Street support. Under the Tank's suggestions, government departments would set up internal auditing bodies for their own nationalised industries, staffed partly by experts from the commercial world, and the industry boards would be reconstituted to give power to non-executive outsiders.

Parliament meanwhile is fiercely promoting its own preference for giving the Auditor General access to the industries and the Select Committees authority to review his reports.

Of course the drawback to all these suggestions is that such efficiency audits and the extra they are going to have to pay for national insurance contributions. Now all this may be inevitable in the sense that fewer in work have to pay a greater proportion of their income to support those out of work. But it is not going to make it any more palatable. Nor, more particularly, is the fact that people seem certain to receive less in absolute terms in their first pay packet of the new tax year than in the last one of the old year.

That would not, however, be true of the higher paid were the Chancellor to index all tax bands. A married man earning more than about £15,000 (and with no mortgage) would start to find more money in his pocket, while for those paying tax at the top rate the proportionate tax take would actually drop.

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The Over-the-Counter Market

1981/82	High	Low	Company	Price	Chg	Div (%)	Gross Yld	P/E	Fullly
									Yield
125	100	Ass Brit Ind CULS	125	—	10.0	8.0	—	—	—
75	62	Airsprung Group	71	+1	4.7	6.6	11.3	15.6	—
51	33	Armstrong & Rhodes	45	—	4.3	9.6	2.8	8.5	—
205	187	Bardon Hill	198	—	9.7	4.4	9.6	11.7	—
103	100	CCIL 11% Conv Pref	103	+3	15.7	15.2	—	—	—
104	67	Deborah Services	67	—	6.0	9.0	3.3	6.3	—
131	97	Frank Horsell	130	—	6.4	4.9	11.7	24.1	—
83	39	Frederick Parker	81	—	6.4	7.9	4.1	7.9	—
78	46	George Blair	52	—	—	—	—	—	—
102	93	Ind Pref Castings	95	—	7.3	7.7	6.8	10.3	—
106	100	Isis Conv Pref	106	—	15.7	14.8	—	—	—
113	94	Jackson Group	96	—	7.0	7.3	3.0	6.8	—
130	108	James Burrough	112	—	8.7	7.8	8.2	10.3	—
334	248	Robert Jenkins	248	—	31.3	12.6	3.4	8.8	—
61	51	Scruttons "A"	61	+1	5.3	8.7	9.4	8.7	—
222	159	Torday & Carlisle	159	—	10.7	6.7	5.1	9.5	—
15	10	Twinklford Ord	134	—	—	—	—	—	—
80	66	Twinklford 15% ULS	78	—	15.0	19.2	—	—	—
44	25	Unicoll Holdings	25	—	3.0	12.0	4.5	7.6	—
103	73	Walter Alexander	77	—	6.4	8.3	5.1	9.0	—
263	212	W. S. Yeates	228	—	13.1	5.7	4.3	8.8	—

Prices now available on Prestel page 48146

## Base Lending Rates

ABN Bank	13 3/4%
Barclays	13 3/4%
BCCI	13 3/4%
Consolidated Crds.	13 3/4%
C. Hoare & Co	13 3/4%
Lloyds Bank	13 3/4%
Midland Bank	13 3/4%
Nat Westminster	13 3/4%
TSB	13 3/4%
Williams & Glyn's	13 3/4%

\* 7 day deposits on sums of £10,000 up to £50,000 12 1/2% £50,000 and over 12%

Source: OECD December Economic Outlook

## DEFICITS OF NON-OIL DEVELOPING NATIONS

	1975	1976	1977	1978	1979	1980	1981	1982	1983
									(2)
Exports	88	108	130	149	182	241	248	268	297
Imports	117	123	142	170	225	289	303	325	354
Trade balance	-28	-15	-12	-21	-33	-48	-54	-57	-57
Services, private transfers	-9	-9	-7	-9	-15	-23	-26	-28	-28
Current balance	-37	-24	-19	-30	-48	-71	-81	-85	-85

Q3 Year year on annual rate



## Nervous selling

4. Forward bargains are permitted on two previous days

[illegible]

De Minis

each nation, all to  
two terms of three  
years. Claire Housh  
Thomas joined the  
the 224 tall good  
are them tying sec











